STATE OF CALIFORNIA

MEETING OF THE

CALIFORNIA INSPECTION & MAINTENANCE REVIEW

COMMITTEE

Tuesday, February 27, 2007

California Environmental Protection Agency

1001 I Street, Coastal Hearing Room, Second Floor

Sacramento, California

MEMBERS PRESENT:

JUDITH LAMARE, Acting Chair

DENNIS DECOTA

ELDON HEASTON

JOHN HISSERICH

BRUCE HOTCHKISS

ROGER NICKEY

JEFFREY WILLIAMS

GIDEON KRACOV

MEMBERS ABSENT:

PAUL ARNEY

Al “SKIP” SOLORZANO

ALSO PRESENT:

ROCKY CARLISLE, Executive Officer

STEVE GOULD, IMRC Consultant

JANET BAKER, Administrative Staff

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P R O C E E D I N G S

CHAIR LAMARE: Good morning. I'd like to call to order the February 27th meeting of the California Inspection and Maintenance Review Committee and welcome everyone here. We're going to remind everyone to please turn off your phones now. I would like to begin by asking each Member to introduce themselves. I'm Judith Lamare, I'm the Acting Chair for IMRC and I was appointed by the Senates Rules. Roger, would you begin?

MEMBER NICKEY: Roger Nickey, appointed by the Governor, representing Test-Only. I own a test-only station.

MEMBER HEASTON: Eldon Heaston, Air Pollution Control Officer.

MEMBER KRACOV: Gideon Kracov, public member.

MEMBER HISSERICH: John Hisserich, public member.

MEMBER DECOTA: Dennis DeCota.

MEMBER HOTCHKISS: Bruce Hotchkiss.

CHAIR LAMARE: Thank you, Members. And I know we're expecting Mr. Jeffrey Williams. Anyone else, Rocky, that we're expecting? Okay. So let's turn our attention to the minutes of our last meeting, January 23rd. As you turn the page in your packet, you'll find an announcement for the Smog Check Forum by the South Coast Air Quality Management District and I'd like to bring that to the attention of everyone here and on our webcast. Rocky, are we on a phone conference or just a webcast or what?

MR. CARLISLE: Just the webcast and they can email us.

CHAIR LAMARE: Now, could you give us the email for folks who want to comment or ask questions on the webcast?

MR. CARLISLE: Yes, they can send email to imreview@dca.ca.gov.

CHAIR LAMARE: Imreview -

MR. CARLISLE: Imreview is all one word, at dca.ca.gov.

CHAIR LAMARE: Good. So we're looking at something called Smog Check Technology Forum, a Roundtable Discussion, which will be held March 21st at the South Coast Air Quality Management District in their headquarters auditorium and this agenda is also on their website, which is, appropriately enough, aqmd.gov. Somehow they seem to think they're the only AQMD in the world, but I like it. So at the back of the room, there are copies of this announcement and more information on their website and I'd like to invite everyone to come to this event. It's going to be a healthy and broad-ranging discussion about the future of Smog Check and Smog Check issues that are facing us as we look ahead and, particularly, what the SIP is including at this point and what kinds of dynamic changes might be in store for us as we move ahead. So on the minutes.

MEMBER DECOTA: I move the minutes be approved as written, Dennis DeCota.

CHAIR LAMARE: Dennis DeCota. John Hisserich seconds. All those in favor, please signify by saying aye.

ALL MEMBERS: Aye.

CHAIR LAMARE: Anyone opposed? Anyone abstain? Okay, the minutes are adopted unanimously.

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CHAIR LAMARE: We're going to begin the meeting today with the Bureau of Automotive Repair and then the ARB with updates that they would like the Committee to be aware of. Welcome, Chief Mehl.

MS. MEHL: Welcome and thank you very much for the opportunity. You have a handout I think that was presented to you this morning and I wanted to just give you a real brief update on the BAR analyzers. As you may have heard or you know that the BAR analyzers are very old and in need of revamping. The BAR engineers and we have a workgroup that have gotten together and looked at a conceptual plan. And before you is the conceptual idea of what we want the BAR analyzer to look like. And BAR would be developing the software, anyone could purchase their own PC or use their own PC. We would use a USB port system for the back of the computer which would then house all of the different components. And if you look at the different components that are listed, the components that most of the stations already own would fit into a USB port with an adapter so they wouldn't have to go out and repurchase. The dynamometers would all be able to be connected as well. The biggest piece that BAR would need

to develop would be the gas analyzer which would be a portable box that could be just hooked up through the port system. This would be a tamper-proof box and obviously we would need to spec this out and it would probably take some time to develop, but the idea is to make this as user-friendly as possible, to make it as cost-effective as possible and to do it as soon as possible so that with BAR owning the software, the updates could be done as frequently as ARB or legislation came forward to make changes and that we could make available to the stations very quickly and very easily. As I say this, what I'm telling you is a concept. There are obviously a couple of years' worth of work to see this to fruition, but I think the concept is a good one, the idea is one that is simple, but we think it meets all the needs. The software is going to be the key where the software can identify each of the component pieces that are plugged into it to make sure that there is no tampering, as well as the gas analyzer, the box, to make sure that's tamper-proof. It's kind of an exciting concept. We have a workgroup, we are ready to give presentations to different people. We have shown ARB some of the ideas, the concept of the ideas and so far people are very excited about it. So we want to move forward with a workgroup and want to start moving as quickly as possible.

CHAIR LAMARE: Is this intended to be the Smog Check analyzer

for the future, that is dynamic and changing and what we can expect to be the new analyzer?

MS. MEHL: Yes. I asked my engineers how many USB ports you could hook up into a computer and they said it's about 267. So if we can come up with 267 things that we're going to have to test, it will be long past my time. But on the low-pressure fuel evap, in the specifications they are also being made currently for the new system as well as being a standalone. So that standalone would be able to be put into the port system and the software would then recognize it so you wouldn't have to purchase anything new at this point other than if you wanted a new PC, you could your own PC, you could update that because it's the software that would be installed on that particular PC. The idea is to make sure that there are manufacturers out there who meet the specifications for these individual components and then if a station - if something broke or they needed a replacement, they could simply get it overnight or UPS or have one on hand to just be able to plug it in. So the idea is not to have these huge maintenance agreements that are out there, to try to keep the costs down for the stations in terms of software updates and in terms of maintenance.

CHAIR LAMARE: Are there questions for Chief Mehl? Dennis?

MEMBER DECOTA: This is I think a very sound concept and one that industry can wrap its mind around. It makes sense, so

I applaud you.

MS. MEHL: Thank you. Well, it wasn't my idea obviously.

MEMBER DECOTA: Well, you being the BAR.

MS. MEHL: Yes, the engineers have been thinking about this and they're very creative people and I think they've come up with a good solution. Now that's - mentioning that this is the concept, obviously we have huge hurdles to go through when you develop anything like this and the IT world will probably have FSRs and contracts and RFPs and all kinds of things out there to do, but at least we have the concept of the idea and we're ready to move forward with that.

CHAIR LAMARE: Roger Nickey?

MEMBER NICKEY: Just a comment. I'm relieved to see that there's at least a box for the gas analyzer and the dynamometer here to make sure we're hopefully going to continue that part of the testing which I think is so very important. You're not going to do away with it.

MS. MEHL: No, I don't hear that anyone is really ready to do away with the dynamometers. We have about 9 million cars out there that will continue to need to be tested with the tailpipe emissions, so I think for many years to come, California's cars last a long time and don't go through some of the punishments that the cars do back East and so we have a lot of older cars in the field and I think we'll need to continue to test those with tailpipe. The other thing I

wanted to report on was the smoking regulations. We have put those out in draft form for comment. We've received very few comments on them, but we're ready to send those up to the preapproval process in preparation for filing those. So we have worked with ARB on both the regulations and the procedures and we're moving forward with that.

CHAIR LAMARE: Any comments about the smoking regs? You sent yours in, okay. Anything else?

MS. MEHL: Just that we're very busy at BAR and trying to keep ahead of everything and moving as quickly as possible.

CHAIR LAMARE: And when is your hearing on the low-pressure evap regulations?

MS. MEHL: March 7th and March 9th.

CHAIR LAMARE: And that information is on your website?

MS. MEHL: Yes, it is.

CHAIR LAMARE: So one hearing in the south and one hearing here?

MS. MEHL: Correct.

CHAIR LAMARE: Thank you.

MS. MEHL: Okay.

CHAIR LAMARE: Oh, I have one question here.

MEMBER DECOTA: This is actually for the Chair.

CHAIR LAMARE: Yes?

MEMBER DECOTA: Will a representative from IMRC be at one of the hearings to testify in favor of the regs and evap testing?

CHAIR LAMARE: We have that on our agenda for later today so

we'll return to that.

MEMBER DECOTA: All right.

CHAIR LAMARE: Anything else for Chief Mehl? Thank you for being here.

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CHAIR LAMARE: And I believe James Goldstene is here for the Air Resources Board. Welcome, James.

MR. GOLDSTENE: Good morning. James Goldstene with the Air Resources Board. I'm the Smog Check Program manager. I'll just provide a brief update. We're working with the Bureau of Automotive Repair on their projects. We saw where they're heading on the proposed analyzer and we're really pleased to see the progress there. We've also offered any assistance that we can provide. In September, our Board will be hearing an item on setting new rules on catalyst replacement. I know that's been of interest to the Committee. The general thrust will be that catalysts have to be OBD-II compliant. The details are still being worked up. That'll be in September and as more information comes forward, I will present that. We are working with the Bureau of Automotive Repair and Sierra Research, our shared contractor, on a follow-up report to the information that was presented to this Committee last fall relative to the refail rate issue for cars that had been repaired, passed, and then were found on the roadside to fail again, and also

for cars that passed and also failed again on the roadside. So we're right now working with Sierra on developing an outline for the follow-up report. One of the things that's very important to both ARB and BAR is to make sure that this report is able to document with evidence, science, numbers the reasons for these re-fail rates. So we want to be able to document it and if we can't document it with the existing information that we have, figure out a way going forward to get the information that we need to do that. As the Committee knows, we are in the process of ARB of submitting the next State Implementation Plan proposals to the U.S. EPA, both for PM and ozone NOx, etcetera. The March Board meeting will likely have an update to our Board, it won't be taking any action, but they will be hearing an update from our staff on the status of our proposals. Also, we plan on participating in the South Coast workshop on March 21st. And as a matter of interest, next door today - this is relative to climate change, next door today the market advisory committee that was established by the Governor's executive order in October is having their first meeting next door, so if you see large crowds, that's what that's about. That's all I have.

CHAIR LAMARE: Question from Roger Nickey?

MEMBER NICKEY: Back to the OBD-II compliant catalyst, I'm assuming they're going to identify - the push is to get them

identified in some way so during an inspection you can tell whether you have one or not.

MR. GOLDSTENE: Yes, part of the rule would make it so you could easily identify that and also try to make sure it's the appropriate one for the vehicle.

MEMBER NICKEY: My suggestion, and hopefully we can expand this just a little bit to some more emission components like mass air flow sensors, because many times we get a replacement; we don't know if it's compliant or not. You look at it, okay, it's there, does this meet the spec, we don't know. All we're required to do is inspect and see if it has one that doesn't look like it's been modified.

MR. GOLDSTENE: Right.

MEMBER NICKEY: In many cases, just by looking at it you can't tell whether it's modified or not.

MR. GOLDSTENE: I understand.

MEMBER NICKEY: Intake modifications are a big problem right now, we're having just a lot of them so it would be really great if all of these replacement parts would be OBD-II certified maybe with an executive order number that could be looked up. If we're going to one, we should do them all.

MR. GOLDSTENE: All right, well, we're starting -

CHAIR LAMARE: Roger, could -

MR. GOLDSTENE: - go ahead.

CHAIR LAMARE: I'm sorry. Roger, could you do a little

education and describe for us what the intake is and how that relates to the catalyst?

MEMBER NICKEY: Yes.

CHAIR LAMARE: Okay.

MEMBER NICKEY: These so-called cold air intakes are very popular among the performance crowd. Whether they do any good or not is another argument. But basically they take off the intake, the ducting, the air cleaner, and everything else and they have some fancy supposed to be low resistance air filter, what have you, and they replace them. Well, there's not really a problem with them unless they change an emission device. For instance, a thermostatic air cleaner. If the car had a thermostatic air cleaner and you put one of these on, you get rid of the thermostatic air cleaner, you've eliminated the emission device. Then that requires approval from Air Resources Board. You have to have an executive order number, we look at it, we can go to the website, look it up, and see if it's approved for that vehicle or not. The other ones are mass air flow sensors. They're in the system between the air cleaner and the intake duct and the throttle body and a lot of these change the location to the mass air flow sensor. Well, the mass air flow sensor is calibrated for the way the car left the factory. If the distance between it and throttle body, between the air cleaner and it, so if you change that

position, then you have altered an approved emission device and it requires an approval, which again we would have to look up. Most of them that come in, they're supposed to have a sticker that goes on them that says California Air Resources Board Executive Order Number, we can go to the website again, look up that executive order number and see if it's approved for that kind of car. Now whether the customer went and got another sticker and put on it we don't know, but once he's put the sticker on, that's his responsibility and it's only up to us to approve it. If it where stamped on the device, then we could eliminate a lot of the questions like that. But that's the biggest one.

CHAIR LAMARE: And are you talking primarily about identifying tampering?

MEMBER NICKEY: Yes.

CHAIR LAMARE: And when you look at - when you say we can't tell whether it's an approved catalyst or not, you're talking about doing a test looking at the catalyst and determining whether the catalyst on there is illegal, is appropriate, and, therefore, whether tampering has occurred or not.

MEMBER NICKEY: Correct. There are a lot of catalysts on the market that are just bargain, this big around, they're a catalyst and that's about it and whether it's approved for OBD-II or not, there's no way to tell. All you're doing is a visual inspection. You look under the car, you see this

thing welded in place, it has no numbers on it. If it's welded in place, we pretty much know it's been replaced from factory, but -

CHAIR LAMARE: Well, this is fascinating because I thought the whole point of this was if a car fails a tailpipe test and its catalyst is to be replaced, it has to be replaced with a specific kind of catalyst. I didn't really see this as a whole new issue in testing to determine whether there is a legal catalyst on the car so that opens up a whole new realm for me.

MEMBER NICKEY: Yes, it started out that way. The regulations came down and there's plenty of people here that can correct me if I'm wrong, but it was that an OBD-II catalyst could not be replaced with anything other than original equipment, OBD-II catalyst. So we got down to we'll do the inspection, we look under the car, does it look like the one that it left the factory with, yes, so it must be okay. So you look under the car and you see one welded in place. Well, now we're assuming that that's been replaced because generally a factory installation isn't going to look like that. But there's no identifying marks on the catalyst. You can't tell and if there's no part numbers, there's no plate, there's no anything, so we won't really know. So then the Bureau came down and said well, since there's no way to identify these things and it's got a catalyst, then we're

just going to pass them the way they are. If it's got a catalyst in place, there's no way to determine whether it's OBD-II approved or not. So I'm assuming that -

CHAIR LAMARE: If it has a catalyst in place and it passes a tailpipe inspection, then it's okay.

MEMBER NICKEY: Well, it's actually two different things. Tailpipe is one part of the test, the catalyst inspection is part of the visual. Whether it's working or not or whether there's even anything inside of it isn't our concern. We just look under the car to see if it has one in place. That's all we're required to do as part of the inspection. But for OBD-II especially, it should have an OBD-II approved catalyst, but from the outside, there's no way to tell.

MR. GOLDSTENE: That's what our regulation is hoping to resolve.

MEMBER NICKEY: Yes, but I was hoping to get it extended to some of these other devices that we have the same problem. It looks okay, does it meet the spec or not? I don't know. It's there, that's all I can tell you.

CHAIR LAMARE: Great, thank you, Roger. And Dennis DeCota has a comment.

MEMBER DECOTA: I think Roger's correct on what he's stating here. I think that the industry unfortunately is waylaid with $99.00 cats that have become a quick repair. The longevity of the repair may not necessarily meet the problem with the vehicle, but it will clean it enough so that it

passes Smog Check. That's the problem I think that Roger's trying to identify here, is that the part is inferior, it's put on the market as a cost leader in order to allow that particular consumer to purchase and pass the Smog Check Program and I think you're trying to tie the reg into OBD-II standardization of parts so that it complies, which won't be a $99.00 cat.

MR. GOLDSTENE: That's right.

MEMBER DECOTA: Okay.

MR. GOLDSTENE: Yes.

MEMBER NICKEY: And there are no performance standards for catalysts that I'm aware of with anything.

CHAIR LAMARE: Interesting.

MR. GOLDSTENE: This also may feed into part of the reason why we're having the resale rate that we're exploring.

CHAIR LAMARE: All right, all right.

MEMBER NICKEY: Well, and ask about 90 days and die, that's usually what happens.

MR. GOLDSTENE: Right.

CHAIR LAMARE: Now, are there other questions of James?

MR. GOLDSTENE: I actually have one more comment as a follow-up from last meeting for Committee DeCota.

CHAIR LAMARE: Good.

MR. GOLDSTENE: You had wanted more information about the warranty regulation that we're working on. Our Board will

be considering that again on March 22nd here in Sacramento. I know that we had been getting public comment from all over and there's an opportunity still to provide comments on that.

MEMBER DECOTA: Right, okay.

MR. GOLDSTENE: All right, I just wanted to make sure - okay.

CHAIR LAMARE: A comment from Bruce Hotchkiss?

MEMBER HOTCHKISS: Yes, just a thought. I think part of the problem with the aftermarket cats is the availability through mail order and the Internet. And it seems to me it would be wise to get the feds to buy off on any changes or - I mean, if we had a federal regulation on cats, it would certainly make it a lot easier. California can impose all the regulations they want, but as long as this stuff is so readily available outside of California or for non-California vehicles, they're always going to be there. And if we don't start kind of thinking at least nationally, if not globally, we're not really fixing too much. So it's just a thought for your process.

MR. GOLDSTENE: Thank you.

CHAIR LAMARE: Other questions or comments for James? All right. Did you have anything else you wanted to share with us?

MR. GOLDSTENE: No.

CHAIR LAMARE: Thank you for being here today, James.

MR. GOLDSTENE: Okay, thank you.

CHAIR LAMARE: Now, time for public comment on the ARB and BAR presentations. Does anyone in the public want to comment or ask questions? Do we have anything from the web? No? Great.

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CHAIR LAMARE: Next item on the agenda, we have treats. We have two presentations today. The first one is going to be about the Fresno Tune-in and Tune-Up Program 2006. The agenda says Dr. Doug Lawson, I notice there a couple of other people here. Maybe you could introduce, also, Doug. Tom, did you want to start off? Could you start off and introduce yourself and your organization, the Clean Air Now organization?

MR. KNOX: Thank you and good morning, Madam Acting Chair and Members. My name is Tom Knox. I'm with Valley Clean Air Now. We're a nonprofit that seeks to educate the public in the San Joaquin Valley on the value of taking voluntary actions to reduce air pollution. We seek to encourage new and innovative approaches to improving air quality, mainly through sponsoring pilot programs and public education efforts that reduce otherwise unaddressed sources. We try and find niches that aren't already being addressed by the State or the Air District or others. And one program that we've been doing for the past four years that kind of falls

into both categories is the Tune-In and Tune-Up Program. We've had nine of these events throughout the Valley since 2002. We've invested nearly $200,000 in air quality related car repairs using the RSD equipment which we favor because it's highly visual. There's a public education element in using it. It's very non-threatening and it's the only way that we can hit our target market, which is folks who cannot otherwise take advantage of existing State programs because they're unregistered, uninsured, or otherwise unable or unwilling to do anything with any ties to any kind of government agency. We kind of bridge this gap of these folks that otherwise fall through the cracks. We've seen over the past couple of years, we've perfected the marketing on it, we've perfected the targeting, we now have a very large turnout and people who are very interested in reducing their car emissions, who feel very passionate about it and who are willing to take voluntary steps to do that. So we've got Doug Lawson here today to present the actual results of our program in Fresno in 2005 and in Bakersfield in 2006. As a side note, we're not trying to create any controversy through using the RSD. To us it's a tool that's very valuable in our model, but all we want to do is present what we feel is a very nice result from a program that we're very proud of. Thank you.

CHAIR LAMARE: Welcome, Doug Lawson.

MR. LAWSON: Thank you. Thank you, Tom. Good morning, Madam Chair and Committee Members. My name is Doug Lawson. I do air pollution research and have been asked by the Valley CAN group to analyze data from the study or programs that they've conducted in the Central Valley as Tom Knox has mentioned. I'll describe first the data from the Fresno study that was done in September 2005. It started at 9:00 a.m. that morning, on a Saturday morning, and at the time of the startup - in fact at 8:00 in the morning, there were 100 people there waiting to get their emission-tested by remote sensing. So there were a lot of people, the advertising worked very well. The campaign was good to spread the word and have people come. In this program, the motorists drove their own vehicle, not anybody else, but the motorists themselves, drove the vehicle past the remote sensor on a voluntary basis to obtain emissions readings. There were 332 beam blocks obtained, an instance when the beam was actually blocked from the remote sensor. And 160 vehicles with valid readings were obtained for all three pollutants. So roughly half of all the beam blocks obtained readings for all three of the pollutants, CO, hydrocarbons, and NOx. And 99 of them were classified as high-emitters according to the criteria that were established. That is CO having a concentration greater than five percent and hydrocarbons and nitric oxide being greater that 1,000 parts per million. So

these data were given to me after the study was done and they were screened by the Bureau of Automotive Repair. I would mention that of the beam blocks, the information I received from BAR that a good number of the readings weren't valid, so those were discarded. I was also told the people would actually walk in front of the beam and when they did that, that was a beam block because there were people walking around at the site and so forth. Normally, with remote sensing on freeway ramps, you get about 75 percent of the readings. Beam blocks do produce valid emissions readings with a license plate that's readable. So about three-fourths of the readings normally in the field are good readings. Once the vehicle is identified as a high-emitter, the vehicle is diagnosed by the folks that were out on the site and they were offered a $500.00 repair voucher. At the time, there were roughly 170 vouchers given out to the motorists to participate in the study, in the repair program. And 97 of those 170 entered the repair program at the A-1 Auto Electric Repair Shop in Fresno. Of interest is that five of these 97 were smoking vehicles, so on the Smog Check invoice, the technician noted that five of them were producing smoke. These are what you normally see. I don't know how many on the Committee have seen the remote sensor or been on a van when you've seen the data, but there are a bunch of numbers that appear at the bottom of the monitor

and you get readings for CO, CO2, hydrocarbons, and NOx, and also opacity or smoke. And this vehicle happened to be a high-emitter for hydrocarbons and smoke. These are data for the 160 vehicles at the site. They're just scatter plots. The top two graphs are hydrocarbons versus CO. In fact, hydrocarbons plotted as a function of CO. This is typical of what we see of all tailpipe data, irrespective of whether it's an FTP, Federal Test Procedure, or the ASM or BAR 90 or 97 data. The data all look this way. In the case of plotting hydrocarbons as a function of CO, you see in the graph on the upper left a lot of numbers that show pretty high concentrations of CO and a few scattered higher concentrations of hydrocarbons. So I expand the lower portion of the upper left graph over to the right graph and the - instead of reading 50,000 now reads 5,000 parts per million hydrocarbons. So I've just expanded the graph to show that for the cut-points we were using for hydrocarbons is 1,000 ppm and for CO five percent. That's pretty much what we see typically. I like to use CO in emissions data because it's a very good indicator of just how the vehicle is processing the fuel. It's a very reliable measurement and we see in general that as CO readings increase, so do hydrocarbons, although there are a few outlawers, if you will, for hydrocarbons that are higher and that comes from misfires and other such malfunctions with vehicles. But in

general, you see just a slight increasing slope of CO versus hydrocarbons.

MEMBER NICKEY: Can I have just a clarification?

MR. LAWSON: Yes.

MEMBER NICKEY: When they drove through the sensor where they had a steady speed, I assume that was 25 miles an hour, I saw at the bottom. It wasn't labeled, I saw a 25. Does that mean they went through at 25 miles and hour.

MR. LAWSON: I was not at the site at the time, Mr. Nickey. I don't know. Tom, if you can answer that question?

MR. KNOX: That's one of the challenges we have. We try to educate people on maintaining a steady rate of speed of around 25 miles an hour. Eighty percent of them do, but that's definitely one of the challenges we have.

CHAIR LAMARE: Doug, could you repeat - okay, Tom, could you just speak that into the microphone so it becomes part of the record?

MR. KNOX: We do try and educate the drivers on the need to maintain a steady rate of speed around 25 miles per hour. We get about 80 percent of the motorists who actually do. There's some confusion sometimes, but that's definitely one of the challenges.

MEMBER NICKEY: Well, this was a controlled test. You had it set up and you had people staged to go and you said, okay, now go through.

MR. KNOX: Right.

MEMBER NICKEY: So they basically went through at 25 steady speed or accelerating?

MR. KNOX: I'd say 80 percent were able to maintain a steady speed.

MR. LAWSON: That's a very good question. Again, vehicle emissions, especially for high-emitters, are quite variable and so if you don't have tight control over what the motorist is doing when they drive by the sensor, as you might on a dyno or any other kind of test, you can get some spurious readings. What we see in the graph on the bottom is nitric oxide plot as a function of CO. And again, this is what you typically see. That is, there a relationship in general between CO and NOx emissions and as CO decreases, you tend to get higher NOx. Although you do see some vehicles that are running rich and lean at the same time and that's kind of interesting to see that. But we've seen that with high-emitters throughout the years. These are data from the vehicles - these are the data that entered the repair program that were what I call the successful - the 97 that entered the program in Fresno and the repair costs reported by the station. There were 48 out of the 97 that were successfully repaired to Smog Check criteria, that is they were repaired sufficiently to pass the Smog Check test for that vehicle. The average costs were $575.00 per

vehicle. There were nine that failed the Smog Check and successfully repaired, but as of this morning, I don't have complete pre-repair emissions data. There were nine of those vehicles. Their average repair costs were about the same as the first category. There were ten vehicles that were partially repaired. Whenever you get into these kinds of repair programs, and I've done a number of them, you start to deal with motorist behavior and there's a different story for each vehicle, as Dr. Williams would well know. In general, I would say the main feature that I see with that is the repair costs were going to be higher than the $500.00 voucher and in many cases, the motorist was told they would have to come up with the difference above $500.00, but in some cases, the program did actually pay for higher repairs. But the main reason that I see thus far is that the motorist was not willing to pay more than the voucher amount. And the average cost of those vehicles spent was $235.00. Then there were vehicles that weren't repaired and left the program. And in those cases, the majority of those were told that the repair was going to cost more than the $500.00 voucher and so they just left. And so we have a cost of $126.00 that was really for the diagnosis of the car. There were two vehicles that couldn't be repaired, that is they had real problems and probably should be scrapped. So an average of $400.00 was spent on those two cars. Two were

exempt, that is they were too old or diesels and didn't belong in the Smog Check Program. Then there were seven vehicles that weren't tested at all, that is the technician looked at the car and said there's just way too much that needs to be repaired, this is a great candidate for scrappage, so they did not repair them or even test them. There were seven that passed the Smog Check, that is they came into the station, received and inspection and they passed. And the average cost per vehicle there was $52.00, so one might say there was a seven percent false failure rate, if you wanted to just use that as kind of a rough measure. But that's what we've seen all along in these studies. From the first study that I did back in 1989, whenever we pull cars over using remote sensing right on the spot and give them a diagnostic of any sort, more than 90 percent of them fail, just depending on the conditions that we have. In this case, seven percent of them passed. Two of the vehicles had minor repairs. Their average repair cost was $76.00. One of them passed the Smog Check, the other one failed the Smog Check. So that's the list of vehicles that entered the program.

CHAIR LAMARE: I have a question from Dennis DeCota.

MEMBER DECOTA: Out of the 97 vehicles, how many of them were OBD-II equipped?

MR. LAWSON: I have a slide that will show that Dennis, in a

just a minute.

MEMBER DECOTA: Okay, sorry.

MR. LAWSON: That's a great question, so I thought that would probably come up, so I have a slide that shows that. Yes, Gideon?

MEMBER KRACOV: (Inaudible - microphone not on.)

CHAIR LAMARE: Questions should go through the Chair, okay?

MEMBER KRACOV: Dr. Lawson, of the 97 that is on this slide, those are the ones that went to A-1 Auto or those are the people that showed up in the morning and were tested?

MR. LAWSON: Both, that is they came in for remote sensing, they were given a voucher, they were diagnosed onsite by the BAR and the community college folks, and then they entered the repair program at A-1 Auto Electric. So these were the 97 that entered the program for repairs that received the voucher.

MEMBER KRACOV: But there's another category that passed the remote sensing.

MR. LAWSON: Right.

MEMBER KRACOV: How many cars was that? I must have just missed that, I'm sorry.

MR. LAWSON: Let's see, there were - that's a good question. I don't have the numbers for the cars that didn't meet the high-emitter criteria. It turned out that BAR, right after the program started, sometime during the day they changed

their thresholds for high-emitters from say in the case of CO, they went from four percent to five percent because they were getting so many. So they just raised the cut-point for CO from four to five percent. So there's kind of a moving target that happened on that Fresno day. With the other studies, though, they kept the cut-point set at five percent for CO. Somewhere between 300 - about 200 of those were not high-emitters, according to the criteria, just a rough - to one significant figure.

CHAIR LAMARE: Well, we had 160 valid beams in 99 emitters, so that's where we're starting from.

MR. LAWSON: That's right. Those were 166 with complete readings for all three pollutants and there are vehicles that will report for one pollutant or the other, so it would take a little bit of a flow chart and I could provide that for the Committee when I get back.

CHAIR LAMARE: Okay.

MR. LAWSON: To answer Dennis DeCota's question, this is a model year distribution of those 97 vehicles. In blue are the successfully repaired and by successfully repaired I mean vehicles that passed according to Smog Check criteria. The other vehicles that were in the program that participated are shown in red. And 96 and newer are the OBD-II vehicles. And so if you're doing statistics, the mode, that is the number that the maximum value occurs is at 96 and 97. And

typically what we see with high-emitter data, the mode generally occurs about ten years in age, maybe back to 12, but it's about that rough period.

MALE: (Inaudible - microphone not on.)

MR. LAWSON: Pardon?

MALE: (Inaudible - microphone not on.)

MR. LAWSON: Yes, two vehicles at '95 model year. And again, remember this is a very small data set, but these datasets are also very expensive to acquire and work with. These are the manufacturers represented in the 97-vehicle dataset. It crosses all manufacturers as you can see. There are some vehicles listed as GM that are built by Toyota for example, but that's the general headline for the manufacturer listed there. Now these are the emissions data from the Fresno study, the pre- and post-repair ASM data. I've averaged the 5015 and the 2525, just to give one number for pre- and post-repair averages. And what we see here is that for CO, there's a 94 percent reduction, hydrocarbons a 65 percent emission reduction, and NOx, a 53 percent emission reduction. These are very good emission reductions from this program. If we take those emission reductions and using data that I acquired during the '95 pilot study that was conducted by ARB and BAR, we can come up with how many pounds per vehicle emission reduction is obtained and these are good numbers to remember for a comparison with the

Bakersfield data, which I'll show in just a little bit. If we assume that repairs are good for 10,000 miles, and that's the assumption, that's a leap of faith here, but we're just making the assumption these repairs last 10,000 miles, the emission reductions would be equivalent for each vehicle of roughly 550 pounds of CO, 50 pounds of hydrocarbons, and about 30 pounds for NOx. Those are very good emissions reductions. Now comparing these data with the 97 I/M pilot study that was conducted by ARB and BAR, these are the data. And I'm referring here to the I/M pilot study as the gold standard, because in that program, BAR mechanics and some others, and ARB folks who knew their work was being monitored for emissions repairs were actually doing this program to look at the effectiveness of ASM repairs versus I/M 240 repairs. So I use this as the gold standard and the data from that study show I have the pre-repair emissions data in red from the I/M pilot study, the post-repair data in green, and you can see the emission reductions. For CO, it's about 85 percent, 70 percent for hydrocarbons, and 52 percent for NOx. Fresno study shows the equivalent or better emission reductions for the Fresno dataset for the vehicles that were successfully repaired, that is the 48 vehicles. So the data compare very favorably with what I call the gold standard as far as the emission reductions. The pre-repair emissions are similar and the case of

hydrocarbons and NOx are a little bit cleaner than the data from the I/M pilot study. But you need to remember these numbers and I'll show this in comparison with the Bakersfield data in a few slides. Probably one of the most important parts of any repair program, be it a Smog Check, any I/M program, is the follow-up. That is, what happens to cars once they leave the station and get out on the road. And so what we asked after the fact was we wanted to get in - I asked if we could get 20 vehicles in after they had been repaired, and so all the participants were contacted by phone and 11 of them responded for a follow-up Smog Check inspection. And after roughly 300 days, of those folks that came in, seven out of the 11 of them passed the emissions portion of the Smog Check. So the emissions for seven out of 11 stayed sufficiently low that they passed the emissions portion of the Smog Check. One of those vehicles was not tested due to an engine knock and three failed for emissions and one was labeled as a gross polluter. So that's a follow-up from the repair of these vehicles. And again, very seldom do people follow-up on repairs. Yes, Dr. Williams?

CHAIR LAMARE: Dr. Williams has a question.

MEMBER WILLIAMS: With 300 days, you could test how many miles went, so how did it compare with the -

MR. LAWSON: Right, that's one thing I can do. I have the

records and I can get that data.

MEMBER WILLIAMS: Do you have an impression even?

MR. LAWSON: I don't know how many miles these vehicles were driven, but we can supply those for the Committee.

CHAIR LAMARE: Anyone else? Okay, let's continue.

MR. LAWSON: We presented this information to ARB and BAR about a week ago and one question that came up and the one question that's been of interest to me is whether or not these vehicles are currently registered. And so again, I went back and I obtained the data from the BAR website for all of the cars that we had records for in this program and of the 48 that were successfully repaired, I wanted to find out how the cars performed on their previous Smog Check before they entered the program. It turns out that 24 passed, 24 failed, so it's 50-50. Nine of them failed as gross polluters. And so then I calculated how many days it had been since their previous Smog Check and the four numbers are the minimum number of days, the maximum number of days, the average, and then the median, that is the 50th percentile. Half the numbers are higher, half the numbers are lower. And the minimum number of days prior to Smog Check for any of these 48 was 16 days. Maximum was nine years, 508 was the mean, but the mean when you have a skewed distribution is always influenced by the high values. Or it can be for the low values, depending on the distribution.

And with vehicle emissions, these are not normal distributions, they are more gemmated distributed. And then the median of course is the middle value when you rank order from high to low. I plotted here all the vehicles in red that failed the Smog Check prior to participating in the program and on the Y axis, I've got the days since their previous Smog Check. The 730 is two years, which would be in the biennial cycle. What we see here is the cars that had previously failed, nearly all of them - and of course this is a bit distorted down here at the low end because there's not much detail going up to 730 days, but the feature that you do see between the red and the green is that in general it had been many fewer days between their Smog Check when they failed and those that had passed. But it appears that the majority of these vehicles are in the system because most of them had had a Smog Check two years or less prior to the Fresno study. So it wasn't - in the case of this car here that had been nine years and one or two of the other ones, we also were able to get the Car Fax records of these cars and it's very interesting looking at the records and I've done this for about 20 years now looking at Smog Check records and history and things and it's very interesting looking at them. A good number of these cars - I about 14, I don't remember. I have it in the draft report. From the Car Fax records showed that there

were inconsistent odometer readings. That is the odometer data just didn't make any sense at all. And it's clear that some of them had been rolled back with the data. Any questions on this slide?

CHAIR LAMARE: Gideon Kracov?

MEMBER KRACOV: This is very interesting stuff, by the way. I really appreciate the presentation. I'm just trying to get clearer in my own mind some of the questions. But doesn't that slide then - shouldn't that concern us if the people that are failing this Smog Check, it hasn't been that long since they passed their last check or had their repairs?

MR. LAWSON: One thing that we're working with Rocky on right now is acquiring the data from DMV to understand at the time of the study - of the program, I'm sorry. Everything I do is studies, but this is a program. That's what researchers do is studies. But at the time of this program, more of these cars were current in their registration, so I was hoping to get that information. We don't have it yet and we'll be getting it from Rocky real soon. What we want to understand is what the registration status of all of these vehicles was on September 17th, that day, because that's an important element to understand is are these in the system, are they not, what's going on with them. So all I have right now is the number of days since when they had their last Smog Check prior to the Fresno program, the Tune-In

Tune-Up day.

MEMBER KRACOV: If I could just follow-up with a few more questions. But registration issues aside, when I see this, this raises to me a concern about the durability of the repair.

MR. LAWSON: I'll answer that in a minute.

MEMBER KRACOV: I don't want to interrupt you in your presentation, but I note that at the very end here of the narrative you indicate that nearly all of the vehicles indicated by remote sensing in the 2005 program required significant emissions-related repairs, even those that passed the Smog Check inspection. So that sentence, and reading this, gives me some concern about the durability of the repairs and I know that there's some self-selection for people that show up for this, maybe they've got a concern about their car and that may skew the results, but that's a concern. Thank you.

MR. LAWSON: Right. One thing that we've observed ever since at least I've been looking at I/M records was the durability of repairs. There's very little follow-up in I/M programs on repairs. I guess my analogy is if you have a heart attack or some kind of thing, you ought to be going in to your doctor frequently, and the same thing I would say should apply for vehicles that fail in an I/M test.

MEMBER KRACOV: That's a good point.

CHAIR LAMARE: I have a question from Roger Nickey.

MEMBER NICKEY: Well, the follow-up on repairs, I think is called Smog Check. That's the only follow-up you get. And secondly -

MR. LAWSON: Right. And unfortunately, it only happens every two years.

MEMBER NICKEY: Yes, that just validates our move to try to get some of these older vehicles tested every year. But I did want to comment back on the repairs and the longevity of repairs. Now, I'm assuming the ones that you commented on that had lasted at least 10,000 miles, those were cars that had been repaired under controlled conditions. These are not cars that failed the test and the customer tried to fix it himself or pour some stuff in the gas tank, or have his neighbor do it, or only do part of the repairs as might be shown by a diagnosis at a repair shop. So if all the repairs are done and they're done properly, they have a much better chance of lasting longer than somebody getting in the middle of it and saying just fix this and that, just make it pass and let's get it out of here.

MR. LAWSON: Right. And again, we attempted to get - I wanted to see if we'd get about half of the vehicles of the 48 in and we only got 11. So this is a very small dataset, but it does show that at least of the 11, seven of them still had low emissions after roughly 300 days. And that was good

because a fundamental question regarding I/M and the high-emitter issue is whether or not you're throwing good money after bad by repairing high-emitting vehicles and then how long those repairs last. That's a fundamental question that really hasn't been addressed in my opinion satisfactorily over the years.

MEMBER NICKEY: Well, I really think this helps validate annual testing and I think once we get into annual testing, it's going to help fix some of this because people are going to start having to face the fact that they're going to have to get it fixed every year instead of every other year and they're going to start looking at should I get rid of this thing.

MR. LAWSON: What's really intriguing about that is when I first got into analysis of the Smog Check records, we would see that the only time the vehicles were clean was on the day of their test. Again, it looked like there was some funny things going on and maybe some - well, we don't know all the reasons, just a human behavior issue. It's certainly better now, I think I/M is better, but there are - the part that you really want to focus on are the failing vehicles and so even in that program or years ago, and even now with the current roadside data, you see cars that are failing after six months and so you don't know what the reason for that is. As James mentioned earlier, that's going to be worked

on.

CHAIR LAMARE: Good. Then lets go on to the Bakersfield study.

MR. LAWSON: Bakersfield, these are all very preliminary because I've just received the data and just started the analyses. But the nice thing about Bakersfield is that it's a much larger dataset. In Bakersfield, we were actually able to ask and get the BAR to provide two remote sensors instead of just one. The idea there was to see - because we had a small number of false failures, seven percent, we wanted to see what the second sensor would give for readings. And I've done this before in other studies, so these are not atypical. This is was we usually see. And so between the two sensors, and I don't know the distance that these were separation, Tom. I don't know if you know how far apart the two sensors were at Bakersfield? Okay, just a small distance, 10 to 20 feet apart. You see that between the - the first remote sensor was the one that was used to trigger whether or not the vehicle had entered the program. The second one was used for informational purposes only, just to see how they would vary. So the second one was not used to trigger whether a vehicle is a high-emitter when it was registered at the site for a high-emitter because they didn't have the communication set up to do that. And I've done that in other studies and you really have to be on your toes to do that because it's not automated enough to do it

with the two and the amount of time between the two as far as just a fraction of a second or so. But you can see a very good relationship on an imaginary one-to-one line here that these two agree very well. You do see some - and these are the interesting ones to me, the ones that are high on one and low on the other. We call those flippers. And again, broken vehicles have extremely variable emissions and it can turn out just by accident that they'll pass an emissions test because they might have hit stoichiometry when you test them. Then you get them back on the road and then they - let's say in the case of a vehicle that has a bad oxygen sensor. It might be running rich or lean or trying to find some point and the remote sensing will see this, but all the emissions tests see this. This is inherent in all emissions tests. You can test the same car a number of times and it will pass or fail based on emissions variability. So the most common phenomenon that causes that variability is an oxygen sensor that's not functioning properly. So it might run rich or it might run lean.

CHAIR LAMARE: So stoichiometry refers to variability?

MR. LAWSON: It's the air to fuel mix of combustion in the engine itself.

MEMBER NICKEY: It's the ideal, it's when all the lines cross.

MR. LAWSON: Right.

MEMBER NICKEY: That's it.

MR. LAWSON: You're getting the maximum efficiency for combustion and the minimum amount of pollution produced of the regulated pollutants anyway.

MEMBER NICKEY: I don't mean to take up all your time, but just one quick comment. What you just talked about, this happens all the time. A customer fails for a broken vacuum line, passed emissions. Fixes broken vacuum line, maybe it's to evap or something so it's not going to really affect tailpipe. It comes back, fails tailpipe. It passed the first time, fails the second time and nothing happened in between. Now we've got a customer, what's wrong with your machine, how come you passed it last time and didn't pass it this time. It's very difficult to explain that one. I try to tell them, broken cars have variable emissions. You just happened to catch it at the wrong time.

MR. LAWSON: Right. As I've said for years, it's not the instrument that's the problem, it's the engine that's the problem. All these different analyzers work very well right from the BAR 80. Now here is the plot of hydrocarbons between the two sensors. I'm sorry, let's go back to the other one briefly. This shows that there were 65 vehicles that had readings greater than five percent on the first sensor, so those were ones that qualified as high-emitters for CO in the Bakersfield, 65 out of 404. For hydrocarbons,

this shows something we've always seen with the remote sensors if you have some calibration issues. In this case, you see that the one-to-one line, an imaginary one-to-one line which would be on the 45-degree angle here would go just like this, but you see that the second sensor has somewhat higher readings than the first sensor and that's a calibration issue. But when you're using a remote sensor to find a high-emitter, you don't really care about the calibration, you just want to get the top ones. The calibration is irrelevant. The analogy is like if you have a rubber ruler, it can be this short or this long if it has 12 markings on it. You don't really care about the length, you're just wanting the top ones. And so in this case, all we're interested in is the highest readings. In this case, for the first sensor with a 1,000 parts per million cut-point, there were 44 out of nearly 400 valid readings. For NOx, we see again the majority lie along a one-to-one line, so there's not a calibration issue, although again you see some that are very low on the first and high on the second and vice versa. These are the emission reductions from the vehicles that were repaired in the Bakersfield program. They are significantly better or higher emission, larger emission reductions per vehicle if you compare with the previous data from Fresno. And so what we're seeing for Bakersfield, number one, it's a much larger dataset. It's

about twice the size. But secondly, if I go to the next slide, these are the emission reductions. The emission reductions are about the same as the other two studies. It turns out, though, that the Bakersfield cars were dirtier than the Fresno vehicles for whatever reason. When you're dealing with high-emitters, a few high values can greatly skew the mean, but here you're dealing with the worst of the worst anyway. But what we see is - again, I've got the data, on the first top line is the pilot study, the pre-repair emissions data in red, the post-repair in green. And we see from the pilot study 84, 69, and 52 percent reduction for the three pollutants. Fresno, you see the numbers here and I showed that on the previous slide. Bakersfield, the percent reductions are about the same as the other ones. But what happened was in the Bakersfield study, the cars were actually dirtier before repairs than Fresno. So it turns out that the cost-effectiveness of the Bakersfield study, because the average repairs were a little bit less in cost than they were in Fresno, the cost-effectiveness is much better in Bakersfield as I'll show in a slide on cost-effectiveness. I have four calculations here. These are the cost-effectiveness repairs to the 48 completely repaired vehicles in Fresno where we sum up hydrocarbons, CO, and NOx and the cost-effectiveness is less than $1,900.00 per ton and this is for the sum of the three pollutants, not

weighting them, but total grams or pounds or tons per vehicles. Again, I like to include CO, although it's not in the SIP, but I like to include CO because it's an easy pollutant to measure in the ambient. It's also a very good indicator or mark of what mobile source air toxics are being emitted, so I like to keep it in the calculation. There's kind of arcane equation, the second one, 1/7th CO, plus hydrocarbons, plus NOx, the cost increases naturally because you're discounting the amount of mass produced by CO. The one of interest to photochemistry and ozone in the SIP is hydrocarbons plus NOx. The cost is less than $14,900.00 per ton. And in Bakersfield, the cost drops down to less than $9,000.00 per ton. Now again, the reason why the Bakersfield data show a better cost-effectiveness is the cars on average were dirtier, they got good repairs and the average cost per vehicle was less in Bakersfield so therefore the dollar per ton is much more favorable in Bakersfield. Now, these are maximum costs. They do not include non-tailpipe hydrocarbon reductions because non-tailpipe hydrocarbons are not measured in the Smog Check program. We're assuming that there are some repairs that are done to these cars that reduce non-tailpipe emissions. So the true cost, if we were to include non-tailpipe, would actually be lower than this. And again, the assumption is the repairs are good for 10,000 miles. One of the Valley

CAN Board Members asked us to do a little though experiment. That is, if we actually expanded the program and did it in the entire Central Valley, San Joaquin Valley, what would happen. And there are roughly 1.2 million passenger cars in the San Joaquin Valley Unified Air Pollution Control District. The highest one percent of emitters would be about 10,000 vehicles and the emissions reductions - and I just took the average between Fresno and Bakersfield to come up with these emission reductions, and it equates roughly to ten tons per day, would be reduced for some of those three pollutants with a program targeting and repairing the top one percent of the fleet. That's a lot of tons per day for just a tiny fraction of the fleet because that's where most of the damage is coming from. So in summary, the program from Fresno was very successful in achieving emission reductions from light-duty vehicles. Remote sensing quickly identified the high-emitters with the low false failure rate. The emission reductions from the Fresno program were comparable to those obtained in the 95 pilot study. And these are quantifiable measured emission reductions, they're not modeled. These are just real data. But as in all programs, we need to have more information on retaining vehicles in the repair program once they enter and then understanding the duration and length of repairs. And ultimately, should the high-emitters be repaired or

scrapped. This is a very limited small dataset, but it's done great for cleaning the air for that tiny fraction of the fleet that was tested in this study. Very successful in my opinion.

CHAIR LAMARE: Great. I think Tom wants to sum up?

MR. KNOX: In conclusion, I just want to stress that our focus here was on public education on the relative impact of high-emitters. We were using RSD as an outreach tool in effect and this is meant more of a validation of our model of voluntary emissions reductions rather than a scientific validation of RSD. We don't want to challenge any existing programs. We think that this has value in bringing more people into the Smog Check Program, more people into smog shops. We'd like to see more being spent on smog repairs. We don't oppose anything else going on in the current system. A lot of the variability in this is due to the challenges in dealing with our target audience. You saw a major drop off between the number of people that were given vouchers for $500.00 who took a lot of time to come out in the morning, wait in line for an hour or two, go through the whole process, get their voucher, they never showed up at the smog shop. We've gotten up over 50 percent now. The number used to be about ten percent of the people who actually got the coupons would show up, so we keep on pushing that number up. The target audience is the source

of a lot of the variability in the numbers. It's not a controlled scientific experiment. It's a public outreach program that we've been gathering data and Doug has been very patient with us on educating us on how to improve that process. In summary, I believe a lot of the cars that were repaired are going to be back in the Smog Check system. A lot of these cars never would have gone into a smog shop again once they had fallen out of registration, so we think in general this is a good thing for the folks involved. Thank you.

CHAIR LAMARE: Thank you, Tom. Now do Committee Members have any questions for Tom about the Clean Air Now organization or the voluntary program? Jeffrey Williams?

MEMBER WILLIAMS: I think you can answer this one the best. When they got the voucher, when did people come in? Some never, right? But it's all human behavior. Some go in the next Monday I imagine and others - that is interesting, too.

MR. KNOX: That's something we've tried to build into the program. We put a deadline on the coupon and we tell them that there's a limited number of slots available, which we don't enforce, but we try and put some hurry into it. Some people go directly from the event to the smog shop to sign up. Now we brought the smog shop onsite so they're making appointments onsite and that's improved turnout, too. So I would think if you'd graph it, you see kind of a big hump on

the front end and then a long tail. Because some people just drift in two months later to finally redeem their coupon. Again, it's the target audience. Some have their act together, some are concerned about their emissions. Some know that they're gross emitter just based on observation and they want to do the right thing. They turn out and do this. I can't explain the long tail. They happen to get around to it.

CHAIR LAMARE: We can explain the long tail. Jeffrey can explain it. Jeffrey did you want to add?

MEMBER WILLIAMS: I've actually done a study of when a Smog Check is due and the registration is due and 21 percent of Californians are chronic procrastinators, myself included. So I was curious. I was wondering if there was - you say the coupon's good for 30 days. Are a lot of people in on the 30th day? Is there another hump there?

MR. KNOX: We've just been dealing with that with the last program we did and there is a rush at the end. One problem is as our turnout grows, the capacity of the smog shop starts getting maxed out and so the smog shop's now got to schedule these repairs two months out. So sometimes there's a lack of available slots open and so people might put it off. We just had to deal with this with a deadline where we had to say if you couldn't get your appointment done in two months -

MS. GUCCIONI: The expiration date -
CHAIR LAMARE: Please come to the podium. Thank you.
MS. GUCCIONI: The expiration date that was on the coupon, that date means that you have to make your appointment before that date. So we don't exclude anybody from the program. So as long as you made the appointment and the smog shop can make that appointment two months, but they have to make it within that timeframe.
CHAIR LAMARE: Now, we'd love you meet you. Could you identify yourself?
MS. GUCCIONI: My name is Christina Guccioni (phonetic) and I work with Tom Knox at Valley Clean Air Now.
CHAIR LAMARE: Thank you. Guccioni. Other people have questions for Tom. Dennis DeCota?
MEMBER DECOTA: Thank you, Madam Chair. Tom, in promoting this, I see your using one shop, that's the control, I'm sure, only one shop. I think, first of all, I think what you're doing here is very good and very needed.
MR. KNOX: Thank you.
MEMBER DECOTA: Is there a reason why you use one shop?
MR. KNOX: You know, it's usually - there's one shop in each city that gets it and is motivated enough to work with us. We invite every Gold Shield certified smog shop in that city to take part in the program. There's usually one who's motivated enough. And in Fresno, A-1 Auto Electric really

understood and supported the program and so we're willing to go through a little of extra paperwork to do the vouchers, to deal with the rush of business, and we run our system so the reimburse for the voucher is within two to four weeks. We try to minimize the amount of paperwork and hassle involved, but a lot of smog shops just say they're not interested in dealing with -

MEMBER DECOTA: I know, but I also know Dr. Williams did a study and wasn't it A-1 that was the shop with the most repairs? Dr. Williams, in your - as far as the Gold Shield?

CHAIR LAMARE: Well, let's ask Emily.

MEMBER DECOTA: All right. But I'm just wondering, I remember that and I'm trying to put that together because it kind of makes sense that here's somebody really, really proficient in reducing emissions. In a marketing effort, have you tried to tie it to gallons per mile at the current cost of fuel?

MR. KNOX: Yes, we do say that a tuned up car runs better and burns less gasoline.

MEMBER DECOTA: Well, I think we can say a lot better. I think we can say it saves you $1,500.00 per year in rising cost of gasoline at $3.00 a gallon.

MR. KNOX: Okay.

MEMBER DECOTA: I think you're - I'm just - I think you're doing great.

MR. KNOX: Thank you.
MEMBER DECOTA: I'm not meaning to -
MR. KNOX: Now is that figure a valid number that we can use with confidence, because I think that's great. I think the more we can make this a pocketbook issue - and we've seen a greater turnout, we used to have a coupon for $100.00, $200.00, we bumped it to $500.00 and that's when we really saw our turnout, so -
MEMBER DECOTA: You'd be very safe with $2.50 a gallon and you may be a little exaggeration in an average of $3.00, but unfortunately it's there again.
MR. KNOX: So we could say more than $1,200.00 per year.
MEMBER DECOTA: You would take that times the mileage and just use the mathematical deal on - like you do with emission reduction and it's simpler to do it on miles per gallon and add that to your mix and say, not only have you reduced pollution, but you also have a benefit financially from this because it's becoming a huge expense to the average household and it needs to be sold in that mindset to the consumer, that keeping their car in tune and keeping their car emission healthy, as Dr. Lawson said, getting a check-up, puts money in your pocket. It's PPO.
MR. KNOX: Now, Doug, is there any way that we could build that number in to either current data or future data, because that's something I think would be valuable in our media

outreach.

MEMBER DECOTA: I think so.

CHAIR LAMARE: Any other questions for Tom? I have a question. Tom, when Doug presented the cost-effectiveness numbers, he was talking about the cost of the inspection and the repair and the emission reductions that were achieved, but he didn't address the cost of attracting the motorists to the event and I wonder if you could tell us about what it cost to create the event and how you're getting funded for that cost now.

MR. KNOX: Sure. We have worked over the last four years to reduce the cost of the events. We're very grateful to BAR for their support in supplying the RSD, plus the technicians to run them. That used to be our major cost. Now our major cost is media. We're spending approximately $15,000.00 in media for each event. We get matching media for most of the outlets we work with are very supportive of the program. Our actual reach is much greater than that, $15,000.00. We do print and radio. We also do a lot of outreach through different community-based organizations in the area. Aside from the media, since this is a public education event, we feel like our greatest value is in really pushing the event to both get the turnout as well as to educate people on the relative impact of gross polluting vehicles. The event costs are fairly minimal. We do a barbeque, which is with

this audience, a major draw. And then we rent cones, we do event set-up, we provide a dynamometer as part of our grant program, which is a semi-related cost to the ETT program at each college that we do the event at. I would say our total event cost is well below $5,000.00 for each event and probably below $3,000.00, outside of the media. It's probably around $3,000.00 for each event outside of the media.

CHAIR LAMARE: And then the Clean Air Now organization is a nonprofit with an ongoing presence in the whole Central Valley.

MR. KNOX: Yes.

CHAIR LAMARE: There's a certain - this is a program of a bigger organization, so then that organization has some ongoing overhead costs. I don't see this program happening without Clean Air Now. I guess my point is there's a nonprofit aspect to making this happen that needs to be funded as well.

MR. KNOX: Sure. We've attracted a lot of partners that have been very, very helpful in this over the last few years. It does require an ongoing structure to do it and we're very happy to provide that. We've been doing some foundation fundraising over the last few months. Now that we've got these numbers to show the value of the program, we believe the value would only increase the more funds get put in for

repairs. Our position now is the more successful the program is, the more repair costs we incur. So we really want to expand the program. We'd like to start doing this monthly in multiple cities throughout the Valley. We really want to chase that one percent number, which might not be doable in the next year, but I think in the next two to three years we can break $5,000.00 and be on our way to $10,000.00 if we get the additional funding. But we're very committed to continuing the program as long as we can get the funds for the repairs, which we see foundations, if they understand the value of this in air quality improvement in the Valley, especially the fact that this is an untapped source of air quality improvements, we think they'll see the value in that.

CHAIR LAMARE: Okay. Any other questions for Tom? Thank you, Tom.

MR. KNOX: Thank you.

CHAIR LAMARE: Now questions for Doug Lawson? We'll start with Gideon.

MEMBER KRACOV: I also want to say I applaud the effort that you folks are putting in. It's an excellent presentation today. You know, really, the whole consumer acceptance piece of this is really essential to our program that the people make connections between their cars and the air they breathe, whether it's in the Valley or throughout the state. And our

job here, as well as the agencies, is to try to set policy in a way that people understand and can buy into and then also get cost-effective reductions. So I just wanted to pull a couple of things out of your presentation and make the observations for the Committee that it seems to me consistent with what you're saying, that this RSD can work up and down the state as a way to get high emitters and whether you do it through the carrot like you guys are doing or through the stick of the administrative agencies, I'm wondering what you think about the RSD to target these high emitters and then the second thing is to again just make the observation that it seems that what you're saying here supports a more frequent inspection, particularly for older, potentially more high-emitting vehicles. So I want to see what you think about those two observations and see if you have anymore recommendations that you would make for this Committee.

MR. LAWSON: I think that you're first question had to do with the effectiveness of remote sensing to find high-emitters. Back in 1989, back in the 1900s now, when we first did this, the remote sensor was very good at finding high-emitters as they were being driven on the road and we had less then. In the first study that we did back in 89, I think 91 percent of the cars that we pulled over right on the spot failed a BAR 90 analyzer test - or BAR 84 at the time. So it's very

effective, but the objective of this study or this program isn't to use remote sensing per se, it's really to use an emissions test to screen cars to get them in the program. So it could be any other kind of emissions-related test. But it works very well on the road to find high-emitting vehicles. Your second question was durability. That has always been a serious problem in any kind of repair program and the problem is if you make - again, if you talk about economics, then you're dealing with incentives, so if you provide too much of a disincentive, people will not participate or they'll find ways to get out of it or avoid it. So you've got to make that part of the program a positive incentive program, otherwise people will not participate, they will not take part, and they'll avoid cost. That's the bottom line, as Dr. Williams could tell you on that. So as I've felt all along, I/M is an issue of human behavior and just basic economics and people and incentives. So if you make enough positive incentives with the program, then it will be very successful.

CHAIR LAMARE: Thank you, Doug. Jeffrey Williams?

MEMBER WILLIAMS: Well, I have exactly one of those questions. In the Fresno sample, there were some people that said $500.00 is too much for me where it was $700.00, so I'm taking the cheaper repair. Was there evidence in the data then that those were less effective repairs or maybe it was

the longevity. But if you took out those ten data points from the partial repairs, did they have a lower percentage reduction?

MR. LAWSON: Let's see. I haven't calculated the before and after repair, but it's not after, it's just before they left. In some cases, we don't have complete Smog Check records for those cars. The data just aren't there and I don't have them. They were given to me by the folks down in Fresno who obtained the data from the repair shop, so there's some incomplete data with those that left the program. I'm afraid we can't answer some of that question, but again, the other problem we have is that if you're dealing with a very small number, you could have one car that would get very high emission reductions and maybe the other ones wouldn't and you might end up looking like a good emission reduction from those ten when most of the emission reduction came from just one. So, I'm sorry I can't fully answer that question.

MEMBER WILLIAMS: You've actually touched on another question that I had where you gave the examples of the typical emissions reduction was 65 percent and that fit with your gold standard. How many cars were around that number or is it a few that it was an 80 percent reduction and others that were only 20 leading to a 65 percent?

MR. LAWSON: I haven't done that analysis. I could go back and

do that. That's a good one. As it turns out, with any I/M program, the majority of cars that fail are what I've called marginal emitters or barely above the standard because of the extreme skewness in emissions data. So you don't get much emission reduction from those that are barely failing because you go down below the cut-point, if you're using cut-points, and you just don't get much because that's the target. But this dataset here in general is a dirtier dataset because as you saw from the emissions, the remote sensing emissions readings, we were getting in Bakersfield 15 to 40 percent, 15 to 35 percent of the measurements were high-emissions readings, so you're dealing with the dirty part of the fleet so these emission reductions would look different from a regular I/M emission reduction program.

CHAIR LAMARE: All right. Is that the end of the questions for Dr. Lawson? This has been fun. It's been great and I'm going to let you sit down and then we'll hear some public testimony on this presentation.

MR. LAWSON: We want to thank you, Committee Members, for your time and your interest and questions in this presentation.

CHAIR LAMARE: Oh, wait a minute, here comes Dennis DeCota.

MEMBER DECOTA: Dr. Lawson, I've always appreciated your programs and how you put them forth and the way I can understand what you're meaning because I don't have a PhD after my name and it's very helpful. It keeps coming back

that RSD is needed as part of this system and it looks like Valley CAN is an organization with enough horsepower in it with some of the members I see as Casey Bishop and Harris Ranch and others. To really take and look at this as an issue, especially in the Valley where we have this pollution, that RSD can really become part of possibly an annual testing system and I'm sure that you would like to see that happen. My question is, can this program be developed in a voluntary basis with a community and sold to them as a red light, green light when it passes through RSD and voluntary signups and get people's education going as far as their vehicle, the expense to operate the vehicle that's out of specification, and that type of thing and knowledge? This seems to me like an opportunity for something that you've worked long and hard on to really take shape and be a model for our state.

MR. LAWSON: I think that might be a question we could have Tom answer, but I would say the basics are here for this program. It's a very positive incentive program. There are no strings attached, so the people line up, they come early in the morning and are there waiting to maybe get some repairs, so that's what we see with positive incentives. They work very well. Just as an aside, in Colorado where I live, I'm on the State's Air Quality Control Commission, the governor appointment me that position and our I/M program

there is a centralized I/M 240 program, but the governor a year ago signed into law a program where we would move from a centralized I/M 240 testing program to a high-emitter dirty screen program using remote sensing. And that's going to take a few years to make that change, but that's what Colorado is working on doing and it's going to be a gradual program to get the money going toward repairs of vehicles to fix them, to find them quickly and fix them and repair them or scrap them as need be. But I think regarding your question, I think Tom could answer that because that gets over into the implementation. I'm just the lowly scientist here.

CHAIR LAMARE: Tom Knox?

MR. KNOX: We've meant to create a scalable program and it's always been our goal to expand this as much as possible, so I think we've got the model now that my goal would be that this would be going on monthly on a rolling basis throughout the Valley and it is only dependent on repair money and enough interest in smog shops to join in on the program and to take the repairs. But I think it's absolutely something that could be rolled out throughout the Valley as long as there is some private money available to do these voluntary repairs. And our public education goal is to make a well-tuned car a low emitting car both a personal responsibility issue and a social norm, that you're smart if you have a

well-tuned car, you're saving gas, and you're a bad neighbor if you've got a high-emitter and this is something that people should start recognizing.

CHAIR LAMARE: Thank you, Tom. I'll just make a final comment. For my part, I think that your project sounds like a promising one for further research on what incentives will appeal to owners of higher polluting vehicles and how to reach them and that foundations and others should find that to be worth spending money on. So I just want to admonish the members of the audience, the public, that are going to speak that they should direct their questions to me and then after they finish, we will pose the questions to the speakers, but that way it works in a more orderly fashion. So I have James Goldstene and Charlie Peters and who else is wanting to speak at this point? Okay, we'll start with James.

MR. GOLDSTENE: Thank you, Committee Members. James Goldstene with the Air Resources Board. We appreciate the project that Valley CAN has taken on with their sponsor and we think it has some promise in terms of learning more about what incentives will change motorist behavior in terms of ensuring that their car is well-maintained and repaired. I would suggest to the Committee that they not draw conclusions about remote sensing technology from this. As you know, we are working on a very extensive remote sensing

report which we'll be presenting to the Committee in the very near future that is scientifically sound that will be refereed and have public comment. The project that was undertaken by Valley CAN, which as you saw, does not require remote sensing. They were located in parking lots. Existing technologies, including just the use of the HEP, could identify these cars without any of the equipment that they used. You could also just use a BAR 97 analyzer, even a portable analyzer to get the emissions. In terms of determining the cost effectiveness that Dr. Lawson is talking about, we do have questions about the methodology and the approach. We're not sure about the baseline, what was used to establish what the pre-readings were, etcetera, so I would suggest to the Committee not to draw conclusions relative to remote sensing, but certainly to applaud the effort of Valley CAN to raise awareness about the importance of motorists keeping their cars clean and working on ways to targeting certain groups of motorists who could possibly benefit from State assistance. Also a component that could be added is a vehicle retirement component because we think that ultimately many of these cars should not be repaired, they should just be retired.

CHAIR LAMARE: Thank you, James. Charlie Peters?

MR. PETERS: Yes, Madam Chair and Committee. My name is Charlie Peters, Clean Air Performance Professionals. A couple of

questions came to mind as I - I was kind of late getting here, but still had a couple of questions. One is there was some discussion about what kind of money is being spent to support getting people into this program and so on, but I did not hear who was spending that money, so that's question one is where is this money coming from and who's deciding to do this. Question number two is what kind of cut-points were used in identifying these cars and how does that compare to the cut-points of the BAR 97 program, what are those figures and how is that effecting the situation. And the third question is that your Committee had a presentation by a Mr. Mark Carlock (phonetic) on May 17th, 2004, which indicated that the Air Resources Board had data as to whether or not what specifically was broken on the car got repaired. Mr. Lawson certainly seems to like data and looking at that and deciphering what's going on, maybe Dr. Lawson could serve the Committee by getting the data that exists as to what is actually being repaired. And it was indicated at that time that they had OBD-II failure cars in a current study. So to find out if specifically what is broken is getting repaired and it is my opinion that if you actually fix what's broken on the car, the car will pass and more than likely stay fixed much better than the current experience, which may be indicating significant failures after repair in a retest situation. So possibly the doctor

might have a little better luck than I've had in trying to get any of that data. Thank you very much.

CHAIR LAMARE: Thank you, Mr. Peters. Rocky, is the copy of the report available at the back of the room from the Valley CAN folks?

MR. CARLISLE: Yes. I also wanted to comment that that data was provided to Mr. Peters two years ago that he's referring to.

CHAIR LAMARE: Okay, so in response to question number three, Rocky Carlisle would like to point out that he believes the data has been provided.

MR. CARLISLE: I provided it personally because I got it from ARB.

CHAIR LAMARE: And in terms of in general, some of your questions I think would be answered by the full report which is available at the table in the back of the room. So I would recommend that you look there. I'm think here, especially about the cut-points and how the cars were I.D.'d and the more technical issues about how the vehicles that were identified to go through the program were identified are going to be in that written report. I will ask Valley CAN if they'd like to discuss their financial donors to the program, but remember this is a private nonprofit and they're certain under no obligation to talk about that if they don't want to. Tom?

MR. KNOX: Sure, we're a 501(C)3 who's primary funder is Chevron

Corporation. They do have one seat on the Board, but they do nothing to direct any of the spending or activities of Valley CAN.

CHAIR LAMARE: Thank you. And kudos to Chevron for putting this together. In terms of the suggestion that you've made that the Committee - it sounded like a suggestion that the Committee contract with Dr. Lawson to do a research study on some data that Mark Carlock described to us at a meeting almost three years ago, so we'll certainly take that under advisement. Thank you, Mr. Peters.

MR. PETERS: Madam Chair, I just would indicate to you that I certainly went over that data in question and had other experts look at it and found nothing of value there at all.

CHAIR LAMARE: Okay, thank you. That clarifies that. Any other questions or comments on this item?

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CHAIR LAMARE: I think we'd better move on and we have a new presentation by a regular here at our Committee who's been contributing a lot of research for the use of the IMRC and that is Ms. Emily Wimberger from UC Davis and welcome, Emily.

MS. WIMBERGER: Thank you.

CHAIR LAMARE: Glad to see you again.

MS. WIMBERGER: Oh, it's working. This is a cursed presentation. I've some problems.

CHAIR LAMARE: I can see you've been in Southern California. You are blooming.

MS. WIMBERGER: Yes, I don't really like this weather.

CHAIR LAMARE: Sunny weather, she's now from sunny Southern California. But please describe what you're going to do for us today.

MS. WIMBERGER: I'd like to present some research that I've been working on with Dr. Williams and it is in regards to basically station location, thus the title of my presentation that realtors tend to know best that it's all about location, location, location. That's kind of the mantra for today. So this presentation has kind of building in my mind for a while. In some previous presentations to this Committee, I feel that I've raised a lot of questions and offered little to no answers, which is very rude and I apologize. So today I'm going to attempt to answer some questions that I've raised in the past and hopefully get some clarification on a few issues that I feel are really important before we move forward and discuss some finer details about policy regulations and the effects of those regulations on stations and consumers in general. The first question that I think is really important that we need to answer is how do we actually define a smog check station. We must also look at stations that are currently group into different classifications, such as test-only and test-and-

repair and say do these stations actually have anything in common, aside from the first letter of their station I.D. And along with the assumption that stations within a classification are similar, we also make some assumptions about the rigidity of these smog check classifications, that stations don't actually switch between classifications, and I'd like to investigate that. We can find answers to these questions by changing a little bit the way we're looking at the problem. In our analyses of station interactions, we tend to look at the cross section of stations or what is happening at one given point in time among all stations in operation. But in looking at the Smog Check industry and inspections over time, we can get a new perspective on how best to define Smog Check stations, as well as how the industry has been changing over the course of the years. I think one big reason that we tend to look at cross-sectional data instead of time-series data is that time-series data is really cumbersome and difficult to navigate and organize. To answer questions about Smog Check station definition and classification really requires two critical pieces of information. It requires detailed historic information about Smog Check stations, as well as historic data from the VID. Each of the over 113 million inspection records that we've obtained from VID - I'd like to repeat that, 113 million - it's amazing in economics, you usually have

problems with too little data and this is actually the opposite. But by this time, Dr. Williams and I are totally unimpressed with how big this thing is. So we have 113 million records from the VID and these records contain information about inspections, about stations conducting the test, as well as test results. And I'd like to point out that when I refer to an inspection, I'm not referring to an initial inspection of a cycle as is done in BAR and I've done in previous presentations. Every inspection - every time a car is tested, I count that as a separate inspection. So if a car goes to a test-and-repair station in the morning, fails, and is retested that afternoon, I count that as two separate inspections, when before that would be considered one cycle of a test. To do this presentation, it also required a lot of data about Smog Check stations themselves; where they were located, the names, and some basic information about all the Smog Checks that have existed over nine years. So basically what I did is I complied VID records and the related station information starting from January 1st, 1998 through December 31st of 2006. And I'd like to personally thank BAR a lot for getting the station names and a lot of the location information for us. Okay, so really, why do we care about old station names and addresses? What can this possibly add to our analyses of anything? Well, it's a great question,

especially since they're really, really difficult to come by. It's really hard to figure out stations that existed maybe for a two-month period in Fresno in 1998. But in answering the first question that I raised, how do we actually define a Smog Check station, there seemed to be three possibilities; we can identify a station using a station I.D. which is currently done, by station name or station location. So currently we use station I.D., but looking at the compiled time series of Smog Check station information, a red flag was raised. Many stations have lots of different I.D. numbers. If a station loses its license for any reason or is late in renewing its license, a new license number is issued. So many stations would have the same name, location, and owner, but have three or different station I.D. numbers. So according to our current definition of a Smog Check station, that one station is actually four different stations. The issue is also complicated when we consider this from a consumer perspective and not from the industry perspective. A consumer driving down the street will have no idea that Stop and Go Smog actually changed license numbers recently and therefore is an entirely different station. When we think about using station name to define a Smog Check station, we also run into problems, as many franchises share the same station name and we all know that one station cannot

simultaneously exist in many locations. Well, how about using station location. This allows for one station to have multiple I.D. numbers over its lifetime and makes sense from a consumer perspective. If Happy Smog is not longer on 3rd Avenue, it seems pretty clear that that station, as consumers knew it, no longer exists. The sunk cost and machinery required to operate a Smog Check station also ensures that stations aren't moving continuously. It's not a lemonade stand you can pick up and move if traffic changes. In organizing stations by location, I matched station I.D.s to specific addressed that were obtained from BAR and using the VID. The entire address of a station I.D. had to match in order for them to be assigned the same location code. I also ensured that different spellings of the same address would be considered the location, i.e., 321A First Street was matched with 321 1st Street, Suite A, which took a bit of time. This chart shows the information for one location and I've labeled that 9369. It's kind of an arbitrary number. So this one location or what I will call one station actually had three different station I.D. numbers during its lifetime, two different names, but by my definition, I believe we should call this one station, especially from the consumer perspective because if a consumer is driving down San Fernando Road in Glendale, California and they see a Smog Check station at 5800, to me,

I think that the average consumer will just consider that to be one station. They won't really care if it's Apex Auto or Highland Pros. Okay. So now that we have a criteria for defining Smog Check stations, how do we actually put these stations into different classifications? Currently there's two main station classifications; test-only and test-and-repair. But how uniform are the stations within these classifications? Do test-only stations share characteristics aside from the first letter of their I.D.? Do they test similar fleets of vehicles? Do they have similar visual fail rates? Well, let's investigate. First let's look at the volume of tests within each classification. Each one of these dots represents one of - the blue dots represent one of the 1,478 test-only stations and the red dots represent test-and-repair stations of which there are 8,388 locations. As the graph illustrates, within each classification the total number of inspections conducted by each station really does vary within the classifications. The range of tests for test-only stations ranges from one inspection over the nine-year period to 212,000. For test-and-repair stations, the range is one test to 136,000 tests over the nine-year period. So looking more closely at the test-and-repair, the vehicle fleets for test-and-repair stations - this axis is mean vehicle age and down here we have mean vehicle mileage. So looking at this

graph we can really see - first of all, there's an upward trend that vehicles that are older tend to have higher mileage, which makes sense, but there's quite a bit of variance within the mean fleet characteristics of each station. So again, each one of these dots represents a station. Now let's look at the fleet characteristics of test-only locations. Again, we have mean vehicle age and mean vehicle mileage and each dot represents one station. So test-only stations appear to be a little more uniform in vehicle age and vehicle mileage, but it's still not totally uniform. What happens if we investigate the variance in the fleet of test-and-repair locations a little bit further? In my last presentation, I mentioned a group of Smog Check stations that I feel should be classified separately, which are dealers. So if we take out the dealers from the test-and-repair locations, the dealers are now in green, we can see that this accounts for kind of the tail end, a bit of the variance in the test-and-repair stations. And I'll say a little bit of how I classified locations as dealer locations. The first step was looking at the actual inspection data over the time period, the nine years, and looking to see - so for every station, Dr. Williams and I looked at the different manufacturers that these stations were testing. So if 90 percent of a station's fleet was BMWs, our hunch was that there's a pretty good chance this

might be a BMW dealer or BMW specialist. So then the next step was to look at the name of the station. And if it's BMW of Fresno, to me that screams dealer. For the more ambiguous titles, I actually Googled every name and tried to figure it out that way, if it was a dealer or not. Also thinking that dealers might test a younger fleet of vehicles, I looked at each station for which ten percent or more of its fleet were two years old or newer. So these are cars that shouldn't even be in the program, but our thought was that maybe dealers, when they get these cars in, are testing these vehicles. And so then for these vehicles I tested them, I looked at their name and then went back to Google. And while I might have missed a few dealers, I think it's pretty close. Now let's look at a graph of the percentage of inspections conducted on the weekends to see if there's any similarities within the categories. As you can see, it's pretty spread out. Not surprisingly, a much smaller percentage of tests are conducted on Sundays, but it is rather surprising that there is such a variance among both the classifications in their hours of operations on the weekends. Now how does the same graph look if we separate test-and-repair into non-dealer and dealer? You'll notice that dealers do a lot smaller volume. A smaller percentage of their inspections are conducted on the weekends. I'd like to point out that these are percentages, so it's the

percentage of total inspections by the station and not just the straight-up number. So the bottom line, do stations within a classification inspect a similar fleet of vehicles? Not really, especially for test-and-repair stations. And are the vehicle fleets of different classifications similar? Well, there's a lot of variance in both and test-and-repair and test-only. They're not even that dissimilar from each other. The classifications don't really stand out. Should dealers be new classification? I think more needs to be done, but I think there's definitely evidence pointing in that direction. Next, let's look at whether stations within a classification have a similar percentage of visual fails. We're looking at visual fails and not overall fails as this is a little more subjective and just shouldn't depend on emissions results. First, let's look at the two main classifications. Test-only again appears to be a little more uniform than test-and-repair, but there's still a good bit of variance. And a few of these stations up here that had 25 percent of their tests were visual fails, I think this station conducted five tests, but these stations in here did conduct a few thousand tests, so they're not that different than the average Smog Check station. What if we separate dealers? Dealers do have a very low percentage of visual fails as compared to other test-and-repair stations. So is the percent of visual fails uniform within station

classifications? I don't really think so, especially in the test-and-repair classification. Although, if you separate test-and-repair classification into non-dealer and dealer, then those groups seem to be a little bit more uniform. Okay. So the next topic that I'd like to discuss is can stations switch classifications. In our discussions we often assume without mentioning it that station classifications are very rigid. This means that Smog Check stations cannot switch between test-and-repair and test-only classifications. And while this is correct if you're using station I.D. as a measure to define a station, when we're looking at station location, this really changes the issue. So of the 11,000 unique station locations, 8,388 were classified as test-and-repair throughout the nine-year dataset. This means that their station I.D. could have changed but that they were consistently test-and-repair station I.D.s. 1,322 stations were classified as test-only throughout this period, so again they could change I.D.s, but they were consistently a test-only classification. 653 switched once between the test-and-repair and test-only classifications while 549 stations switched two or more times. And there are actually some pretty interesting examples of one location switching ten or 12 times between test-and-repair and test-only. Within the group -

CHAIR LAMARE: Emily, just to clarify, going back to the

previous slide now, of the 653 plus the 549 equals a number which includes all the stations that switched one time or more?

MS. WIMBERGER: Yes.

CHAIR LAMARE: Okay. And then even though we today have 1,600 test-only stations, only 1,322 have consistently always been test-only stations.

MS. WIMBERGER: So again, these are station locations, so there's 1,322 locations, so there might, by our current definition, there's been multiple station I.D.s at each of these locations so there's a little - that's the reason for the low numbers. So these numbers are going by my definition that we should identify stations by location and not I.D. number.

CHAIR LAMARE: Thank you for the clarification.

MS. WIMBERGER: Yes, if you have any questions, please feel free. So the stations that switched, 265 times stations switched from test-only to test-and-repair classifications. 937 times stations switched from test-and-repair to test-only classifications. Of these stations that switched, I think it's around 1,200, 61 of these station were located in the Bay Area. I was a little worried at first that all the switching stations would be located in the Bay Area and would be switching because of new regulation, but that doesn't really appear to be the case. And at the other end

of the spectrum, there's 1,424 stations that had one station I.D. at one location and were in operation throughout the entire nine year time period. So there is some consistency. Now let's look at the fleet of vehicles inspected by stations that switched between classifications and those stations that stayed one classification during this nine-year time period. As you can see, the stations that switched classifications, which are in yellow and black, there is a range in the fleet of vehicles that they tested. So you can't really characterize and say, well, switching stations tend to test newer vehicles or older vehicles. There is a bit of a range in there. And I've put dealers in here and so dealers mostly were consistently test-and-repair stations, but there were I think five dealers that switched, so those were taken out of the - if they switched, they were taken out of dealers and put into the one-switch or two-switch category. Looking at the total volume of tests conducted by each group over the dataset, we can see that the volume of inspections conducted by stations that have switched classifications has grown over the past few years. It's really worth noting that a portion of the test-and-repair and test-only volume is captured in these switching stations as well as the dealer classification, so that kind of accounts for this large drop that we see in test-and-repair volume. An interesting group, this is the

inspections over time by dealers. I think it's a very interesting graph because you'll notice that there's a big decline as of January 1, 2005. My scale is wrong, I apologize. This drop should coincide with January 1st, 2005, which also is when there was a regulation change that exempted four-year old vehicles, so it really appears that dealers were really effected by that regulation change. Now I'm going to ask is the percentage of visual fails consistent within stations that have stayed within categories or have switched categories. As you can see, they're pretty much all over the board. Stations that switched classifications again, there's a lot of variation in the percentage of visual fails. What happens if we separate dealers out? Again, dealers have a very low percentage of visual fails, but there still is a bit of variance within that classification, but it doesn't appear to be any less uniform than any of these other classifications. What if we look at the percentage of aborted tests? Please note that this scale has changed. In the previous slide is was 25 percent and now our maximum is 35 percent. So what this means is that there are some stations that 35 percent of their total volume of tests were aborts. And again, while a few of these conducted only a few tests, there are some stations up here that have conducted thousands and thousands of tests. It's

interesting to note that there is quite a variance within the test-and-repair classification between the percentage of aborted tests. And again, the stations that switched between classifications, there's quite a bit of range here as well.

CHAIR LAMARE: Gideon, you have a question?

MEMBER KRACOV: This seems to indicate that there is - no, it's okay, thank you.

MS. WIMBERGER: So looking at the same graph but separating dealers from test-and-repair, we can see that dealers, while they tend to have a lower mean vehicle mileage, they also are quite uniform compared to the entire test-and-repair category when it comes to the percentage of aborted tests. Now let's look at the percentage of pretests by category. Again, there's quite a variation both within the established classifications. I apologize, test-only is hidden a little bit. It kind of encompasses this whole hump, though. But again, stations that have switched classifications, they're pretty much all over the board as well. Separating dealers out, dealers seem to perform on average a smaller number of pretests, but there again some outliers. And again, please note this scale has changed, so there are some stations that 40 percent of their total inspections are pretests. So what's the bottom line? Do stations actually switch classifications? I think we can say that they can and they

do. And that we can't really classify the stations that switched categories as testing low-mileage or high-mileage vehicles. They seem to be all over the board in terms of their fleet, the percentage of visual fails, percentage of pretests and percentage of aborts. So have I actually answered any questions? I started with three. The first one was how do we define a Smog Check station? In my opinion, I think that station location can really add to the definition. It might not be perfect, but I think it makes a lot more sense in analyses like this to look at station location rather than station I.D., especially given the amount of stations that have multiple I.D.s. And the second question was are stations within each classification uniform? I really don't think that they are. It appears that stations within made-up classifications like dealers tend to have a little more in common than the fully-established classifications of test-only and test-and-repair. And since so much of our analyses and our regulation is really dependent on these two classifications, I think it's really important that we really look into these classifications and make sure that they make sense. The third question was do stations switch between classifications and I think yes, they definitely do and they can. There's more questions, there's always more questions. So I think the next thing to really look at is how have

specific regulations effected station classifications over time and the entry and exit of stations. That was something I really didn't get a chance to look at, but I'd really like to see when new stations enter the market and when existing stations are forced out of the market. And also how do technicians fit into this picture? Does the movement of technicians, and especially the movement of machines between shops, can this tell us anything about trends in the industry and where business is headed or where it's going. So I think that those are very important questions that we could answer in the future, looking again not at the cross-section of data, but at the time series of data.

CHAIR LAMARE: Thank you, Emily. Will you take some questions, comments?

MS. WIMBERGER: I would love to.

CHAIR LAMARE: Any questions or comments?

MS. WIMBERGER: I know it was a lot of information.

CHAIR LAMARE: Jeffrey?

MEMBER WILLIAMS: Can you flip back to the pretests or the aborts maybe?

MS. WIMBERGER: Yes.

MEMBER WILLIAMS: Here we have it as a function of vehicles miles, but just to notice the incredible variation across stations, whatever their mileage, whatever their type, how many aborts or how many pretests they do, it's really,

really large.

CHAIR LAMARE: So are you thinking that a way to classify stations for analysis might be to look at their percentage of pretests, controlling somehow for mean vehicle mileage for the cars that they test and looking at a percentage of aborts by -

MEMBER WILLIAMS: Yes. I was thinking just from a station that I know and use in Davis, this fellow is in the business of repairing VWs and other German cars and it's only incidental that he's a Smog Check station. He's not open on the weekends. It's just a general automotive repair business. I think he's fundamentally in a different business than the test-only facility that's next door to him that I was trying - Emily was trying with my urging to get at that group of stations.

MS. WIMBERGER: Yes. I think it's important, too, to realize that a really good way to - something that we've kind of ignored is that there's this wealth of data that is the VID and that is this historic data and that by looking at the records themselves we can actually learn more about classifications and help to make better station classifications than currently - I think it's really important to look at what stations within these classifications are doing and to try to maybe tweak that a little bit, but that I think there's so much data available

in the history of the program, I think we should really recognize that and use that to improve the program going forward.

CHAIR LAMARE: For example, you could classify stations by the volume of their business, first quartile, second quartile, third quartile, fourth quartile and have a better picture of who's actually doing the business out there and who's more just staying registered.

MS. WIMBERGER: I agree and I think it seems that the current classifications, at least when you look at these measures seem a bit arbitrary, so I think it would really be helpful to maybe think of a new way to classify by volume, by failure rates, by business structure, by size. I think there's a lot of different ways that we could look at different types of stations that would be much more accurate than -

CHAIR LAMARE: Well, are you saying that some test-and-repair stations would have more in common with some test-only stations than they would with other test-and-repair stations?

MS. WIMBERGER: I agree, especially if you look at a graph like this and there's a lot more overlap between some of the test-and-repair stations and test-only versus test-and-repairs that I would classify as dealers. Those seem to be very separate from other test-and-repair stations, whereas

some test-and-repair seems to have more in common with test-only than some dealers.

CHAIR LAMARE: And then were you tracking stations that dropped out and that are no longer there?

MS. WIMBERGER: No, that's something that I'd like to look at, the entry and exit of it, I wasn't able to get to that in this presentation.

CHAIR LAMARE: But the total number of stations that we have in this study, doesn't it include stations that actually today are no longer performing?

MS. WIMBERGER: Exactly, so this includes all stations that have existed over - all station locations that have existed over the nine-year period from January 1st of '98 through December 31st of '06.

CHAIR LAMARE: But at this point, we don't know what percentage of that group actually no longer is in the business.

MS. WIMBERGER: No, that's something I could put together, but I don't have that figure off hand.

CHAIR LAMARE: Other questions? Mr. Nickey?

MEMBER NICKEY: I just wanted to address the pretest and abort thing. There's really no correlation between test-and-repair and test-only when it comes to pretests and abort. For instance, pretests are used in the repair business as a - for instance, when you get a failure, let's say you get a failure from a test-only. The first thing you do is do a

pretest, do a baseline test. Okay, there's one. Now we do the repair. And the next that should be done - it isn't always, but the next thing that should be done is another pretest to see if it's going to pass the test. So they pretest for a totally different reason. There is almost no reason to present in test-only. It doesn't do the customer any good. The only reason pretests are used in test-only is a revenue enhancer in my observation of it because there's no benefit to the customer from a pretest in test-only. As to aborts, in test-only the only reason you abort is the machines stops and you've got no choice, you've got to abort. Or halfway through the test the technician finds out, oh my gosh, I entered it as an 8-cylinder, it should be a 6-cynlinder, they abort the test and start over because there's no way to go back. You're going to stop the test in the middle. You can't go back and start over. You have to abort it, completely reenter everything and put it back. In test-and-repair, my observation is that aborts are done many times because they'll see the test progressing, it appears it's going to fail for emissions. We don't know if it's going to fail as a gross polluter. If it fails as a gross polluter, I lose control of the final test, so we'll abort the test, do the repair, and run it through again. So the differences between the two, I don't see any comparison in both pretest for test-and-repair and test-only and aborts

for test-only and test-and-repair. They're used under two totally different situations.

CHAIR LAMARE: Other comments or questions? I think Dennis?

MEMBER DECOTA: Again, I agree with Roger on what he's stating. I think it's important that you understand that it's a whole different testing regimen versus test-only when it comes to aborts and pretests. And we know for a fact from some of our earlier information, that the industry is confused. And what is a pretest and what is not and not doing a complete test is another issue and problem that Ms. Lamare's survey pointed out also. So there's issues here that we need to take into consideration. Have you ever thought of comparing the percentage of tests done by different entities versus 2003 versus 2005 or something like that?

MS. WIMBERGER: I did a little bit for - I was basically looking right around the regulation, the January 1st, 2005, so I did a little bit and there wasn't anything, during that time period there wasn't anything special that stood out, but I haven't really looked at that in detail.

MEMBER DECOTA: I think you'll find a large decline in test-and-repair versus test-only.

CHAIR LAMARE: Well, there's a longitudinal aspect to this.

MS. WIMBERGER: I agree with that and due to new regulations, definitely the volume of test-only is going to increase over the time, the percentage, but I want to point out that with

those pretests and percentage of pretests and aborts, I didn't mean to say that test-only and test-and-repair should be considered the same classification. I merely wanted to point out the variance within each of the existing classifications.

MEMBER DECOTA: And I only bring it up as if we are going to look at reclassifying these and how we reclassifying them, that would be important information for you to have.

MS. WIMBERGER: Thank you.

CHAIR LAMARE: And Jeffrey, you had another?

MEMBER WILLIAMS: I've got to reiterate what Emily just said. I was getting ready - both of you have been commenting about the percent of aborts. The blue dots are slightly different than the red, but what's really amazing is the huge difference among all test-only facilities. Some of them are doing 20 percent of the test aborts and others one percent. Likewise, the test-and-repair, some shops have almost no aborts and others it's 30 percent. It's not like it's a shop that only did three tests over nine years. Some of them are very high. I find the most amazing thing, the variation, whatever the category of shop of his practices. How can it be that some abort one percent and some abort 30?

CHAIR LAMARE: How can it be?

MEMBER DECOTA: The only reasonable answer is they don't use a protocol to go through and do a complete test. They feel

they are saving time and money by diagnosing the immediate problem, aborting the test, going on to the repair, and going on and getting a customer out of there. That's part of it.

MEMBER WILLIAMS: I can understand that for test-and-repair, but then we have test-only.

MEMBER DECOTA: I can't speak to that.

MS. WIMBERGER: But the point of those graphs was more to point out the variation within each current classification rather than to compare the classifications themselves just to say - the stations within each classification vary so much in many different aspects, so maybe these stations aren't really as similar as we might currently take them to be.

CHAIR LAMARE: Any more questions or comments? We're going to take public - oh, sorry, Roger. Roger Nickey.

MEMBER NICKEY: A couple things on aborts. First of all, in test-only, there's no reason to abort a test other than a malfunction. In test-and-repair, there are many, many reasons to abort a test, but it would be interesting to compare all these stations that have multiple aborts, what kind of equipment they had because of the four or five equipment suppliers, some are more prone to freezing up during the test or giving a malfunction during the test which is going to cause an abort that you can't control. The programming has a lot to do with it, that's just another

aspect of it.

MEMBER DECOTA: But that would be interesting to look at that.

CHAIR LAMARE: Dennis DeCota?

MEMBER DECOTA: I'm sorry, I apologize, Madam Chair. It would be interesting to compare that factor. It really would be. It would help, I think, the Bureau and others that approve this, especially if they're going to go modular in the future. It would help industry buy the better equipment.

MS. WIMBERGER: That could definitely be done.

CHAIR LAMARE: Good comments. Okay, are you ready for public testimony? Anyone want to speak on this item? Charlie Peters?

MR. PETERS: Yes, Madam Chair and Committee, my name is Charlie Peters, Clean Air Performance Professionals folks here called motorists. One of the things that was mentioned was the issue of the dealerships and their volume going down. Nothing about failure rate there, percentage of repairs there, comparing same cars, same mileage at non-dealerships and looking at how this might effect whether or not cars under warranty are getting fixed and with us heading into a 15-year, 150,000-mile emissions warranties on things like P-sefs, we are very unlikely in my opinion to maintain a very high level of compliance. You've got the hybrids which are an oddball, a different kind of situation which I would assume all have OBD-II which are excused from the program.

You've got a number fleet operations that are going into self-test which doesn't keep people from manipulating the programs so that they show as passing when in fact they don't, so I think that's some data that probably should get some additional review as to what we're doing as far as failure, what kind of participation there is by the car manufacturers. And down the road results are likely to put the car manufacturers in severe, extreme harm's way with significant fleet failures that they'll be obligation to fix under warranty unless they can get them out of the way which may be what's happening here. We don't want to test these cars because the dealers have enough - excuse me, the manufacturers have sufficient political clout. We keep talking about scientific issues, maybe this should be about political issues or economic issues because they may be making significant impacts in policies that are effecting the air of the state of California. Having participated back in the early portion of the program, it was really fascinating seeing how a car could be referred to the dealer and there was never anything wrong with it, but it was always broken at your place. So, that's a very interesting part of the data that probably deserves a little more scrutiny because that's going to become a very significant factor as we move forward. Thank you, Madam Chair.

CHAIR LAMARE: Thank you, Mr. Peters. Any other further public

comment on Emily's excellent presentation? Ms. Wimberger, thank you so much for coming here and presenting the data. It's certainly enlightening and we appreciate the time you spent on it.

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CHAIR LAMARE: Now, as we look ahead, I notice that we did have an email question that was directed to our previous speaker. I would like to ask the Executive Director to forward that to Mr. Lawson, possibly if he responds before the end of our meeting today, we could return to that question. But the question arrived after Mr. Lawson had left the room. I'd like to allow a little time to see if Doug checks his email. Could we do that?

MR. CARLISLE: Yes, I just responded to her. I'll forward it to him as well.

CHAIR LAMARE: Okay. And then this afternoon - we're going to take a lunch break now and as we look at the agenda for the afternoon, I think it might be advantageous for us to move up our discussion about the low-pressure fuel evaporative regulation to the first thing after lunch and then move onto more of our internal business. There may be some folks who want to speak to that issue and I would like them to be able to do that right after lunch. Any objection to that? Any other comments about the agenda for this afternoon? All right, then I would propose that we return at 1:00. Thank

you.

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CHAIR LAMARE: Just before lunch, I said I want to have the discussion about the draft letter regarding low-pressure fuel evaporative regulations right after lunch and it turns out that we do have someone who wants to participate in that discussion hearing as a member of the public who can't be here until 1:30, so I wanted to find out if there's anybody here in our audience now who was counting on that discussion being at 1:00, please identify yourself. Otherwise, it's going to be at 1:30. Good, very good. Now we also had an email that came in and, Rocky, could you tell us about the email and how we're responding to that?

MR. CARLISLE: Yes. The email came in, it was in regard to Dr. Lawson's presentation. This person had a question for him so I forwarded that email to Dr. Lawson. I also responded to her stating that we would forward his response on receipt.

CHAIR LAMARE: Great. Okay, so you're tracking emails to the web, from the webcast, and in future, if there's something that pertains to the item that comes up on the web, we need to get to that before the witness or the person who's making the presentation leaves.

MR. CARLISLE: Right.

CHAIR LAMARE: Yes. So welcome to the afternoon session and I

think what I would to do is put off the report planning to the end of the agenda. That's kind of an internal matter.

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CHAIR LAMARE: We'll move on to the Executive Officer's Activity Report first and hear from Rocky the kinds of things that he's been doing.

MR. CARLISLE: Thank you, Madam Chair. Just a couple of things. One is there was recently a directive from the Governor's office. They have totally redesigned the government websites and so we have to as well. So I actually attended two days of training so we can accomplish that task. I'm also going to incorporate in that website a suggestion made by Bud Rice where we have various links to different informational topics on Smog Check. I can't promise it in the next couple of weeks, but we will get it up in the next couple of months anyway, because that's a lot of work. Also, we participated in a meeting at the Sacramento Metropolitan Air Quality Management District in support of their legislation to suggest an annual Smog Check test. And they had the meeting at 10:00 last Thursday, by about 1:00 last Thursday, the legislation already had a number to it, so it went very quickly after that meeting. Other than that, that's about it. We've had a couple of - actually one subcommittee telephone conference call where we've talked about some issues, but we'll talk about that when we get to

the reports.

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CHAIR LAMARE: Okay. So let's move on to the Legislative Report.

MR. CARLISLE: Okay. There's basically four pieces - actually five pieces of legislation right now that would impact Smog Check.

CHAIR LAMARE: That's under Tab 5?

MR. CARLISLE: That's under Tab 5, correct, and there's also handouts in the back of the room. But AB99 by Feuer is vehicle pollution control alternative fuels and the intent of that legislation is to require that 50 percent of all new cars available for sale in California are powered by alternative fuels by 1/1/2012. That's still an active piece of legislation and the Committee hasn't taken any position on that as yet.

CHAIR LAMARE: Is there a question? Roger, did you have a question?

MEMBER NICKEY: Sorry, I didn't quite know how to proceed. Are we talking about alternative fuel or dual fuel? In other words, is this going to be strictly -

MR. CARLISLE: The way it's drafted it's alternative fuels.

MEMBER NICKEY: So in other words, you would have a choice to go back to gasoline, it wouldn't be dual fuel.

MR. CARLISLE: No.

CHAIR LAMARE: Other questions, Dennis DeCota?
MEMBER DECOTA: I think you may be incorrect.
MR. CARLISLE: I could be.
MEMBER DECOTA: Yes.
MR. CARLISLE: It wouldn't be the first time, Mr. DeCota.
MEMBER DECOTA: I think it's dual fuel, alternative fuel, either or.
MR. CARLISLE: Okay, I'd have to pull it up.
MEMBER DECOTA: I also might be - I think I read that.
MR. CARLISLE: It's pretty aggressive. It's by 2012, that's only five years away and to have 50 percent of the vehicles in that category - I think the hybrids right now represent a very small percentage for the alternative fuels.
MEMBER DECOTA: It may be -
CHAIR LAMARE: Dennis DeCota?
MEMBER DECOTA: I'm sorry, Madam Chair. It may be worth the Committee's time to incorporate in their letter a caution and make sure that it's either or because the infrastructure won't be there to support an alternative fuel network that large with that amount -
CHAIR LAMARE: Mr. DeCota, are you proposing that this Committee review this bill and write a letter to the author?
MEMBER DECOTA: I am, Madam Chair.
CHAIR LAMARE: Well, we'll have to calendar that for the next meeting and admonish the Committee Members to read the bill

and come back prepared to talk about it. I'm not sure that it's all that relevant to our charge.

MR. CARLISLE: It just says in the bill the intent and this is just the analysis that no less than 50 percent of all new cars made available for sale in California are powered by clean alternative fuels. But it may say more in the text and I'm sure it does about that, so I'll have to look at it a little bit closer.

CHAIR LAMARE: Okay. Does someone else have a comment or question about this? Mr. Kracov?

MEMBER KRACOV: Yes, you just have to also - is it clean going in or clean fuel going out because some of the biofuels and other things there are concerns about what comes out of the tailpipes so even though you've got less carbon emissions to make the fuel in the first instance, I know the AQMD for example, is concerned about some of these clean fuels maybe aren't so clean coming out of the tailpipe. So those are kind of two different issues and one that certainly impacts our jurisdiction, so something just to keep in mind.

CHAIR LAMARE: And Gideon, could you elaborate on how you see this bill coming in to our jurisdiction?

MEMBER KRACOV: Well, I haven't really thought about it, but I think that our jurisdiction is to worry about what comes out of the tailpipe, so whether it's some of the ethanol, some of the biofuels, I think if this Committee is going to

endorse those kinds of fuels, we just have to be comfortable that we get a handle on what the out-of-tailpipe emissions are.

CHAIR LAMARE: Well, certainly we need to know about the smog control equipment that's proposed to be used on them and how it will be tested and what the timeline is for developing Smog Check for different kinds of vehicles is something that remains a mystery to me. We've talked about the diesel - new light-duty diesel vehicles, the ARB promised to bring them in to Smog Check and we have yet to hear anything about how that's going to happen. And I would be just as concerned about any of these other fuels, as Gideon has well-articulated. They have different kinds of emission consequences. Gideon?

MEMBER KRACOV: It might be one of the things that you want to add for our agenda later on this year to get a report back from some of the agencies on where they stand with some of these fuels and how it's going to impact this program.

CHAIR LAMARE: I think so. Other comments on this bill? Okay, we'll move on.

MR. CARLISLE: Okay. The next bill is AB218 and this has to do with late Smog Check fees. Essentially, this bill would allow the DMV penalties to continue to accrue until such time as the registration and the certificate of compliance is received by DMV. And this is a recommendation we made

last year and so under the Committee's position, I did put support and I've also drafted a letter in support of this bill to the legislature. That is in your packet for review as well. And for the Committee's consideration, I've also been asked to testify before the Assembly Transportation Committee when this comes up to hearing in March. It may be March 1st, but that's kind of a soft date at this point.

CHAIR LAMARE: Okay. So recognizing Mr. Kracov and Mr. Hisserich.

MEMBER KRACOV: We all worked on this issue and in particular Dr. Williams did some work that got us thinking in this direction and Roger and I worked with Rocky on this little portion of the report and this Committee supported this recommendation and to see it now as some legislation that will move forward and proceed on its own merits I think is what this Committee is supposed to be doing. So I think that all of us should take some degree and pride in being able to try to vet these recommendations to the best of our ability, put them forward to the legislature and then support them and let them see the light of day in a transparent way and I think that is precisely the mission of this Committee, so I'm proud that these kinds of things are going forward.

CHAIR LAMARE: Thank you, Gideon.

MEMBER HISSERICH: Just on a personal note, I'd like to

understand how this would happen, having just gone through an adventure like this. May registration was due and my car had its first smog test due. Because a vacuum line had come off two months earlier or broken light was on, the computer would not clear so I've gone through this. I've paid my registration on time with the caveat that I had not yet gotten smog certification. Now I've gone to a referee and they've made the determination that they in fact, for whatever reasons, three of the things on the computer wouldn't clear so they've sent it in and I presumably will get it. Now just having gone through this experience, how would this apply to that particular scenario where the car wasn't working, I couldn't get the system to work.

CHAIR LAMARE: John, how late were you in getting your clearance from referee?

MEMBER HISSERICH: By the time I got the appointment with the referee after having gone through the dealer and having it checked four times, I finally got to the referee I think four or five days after the registration was due, but I'd paid the registration on time with a caveat that the smog thing would get there when it got there. So I just wondered how that would work.

CHAIR LAMARE: Do you want to address that, Rocky?

MR. CARLISLE: Yes, Madam Chair, thank you. I think an amendment could be made to provide the referee some

discretion. For example, if somebody had made, like in your case, a genuine effort to get that Smog Check on time and subsequently made a referee appointment, it seems to me with that appointment that would cease the penalty. But I don't think that would be a huge obstacle for the referee and the DMV to clear.

MEMBER HISSERICH: I mean conceptually, I obviously support this. I understand it's an incentive, but when you're sort of caught in the catch 22 of waiting for the thing to happen, it's a little complicated.

MR. CARLISLE: Yes, and there are other issues, too, that could kind of cloud the issue because there's other legislation that's talking about a biannual registration. AB217 and AB474, both biannual registration bills which I have not listed here because they are not pertinent to Smog Check, but they could once again cloud the issue for both AB616, which is an annual Smog Check bill, and, of course, this one.

CHAIR LAMARE: Well, let's track that, but we have another question or comment from Roger Nickey.

MEMBER NICKEY: The mechanism is already in place to handle that. Right now if you are coming up to your renewal deadline and you pay your money and you go get a Smog Check and it fails and your registration expiration is eminent, all you have to do is go to DMV, have the money deposited,

show them the failed Smog Check, and they'll give you a 30-day extension. That's when they give you the little red sticker that goes in your window. So the mechanism is already in place.

MR. CARLISLE: Well, that would probably work, but I think that would have to be spelled out in the legislation so it was clarified.

CHAIR LAMARE: Now, did anyone have any edits about the draft letter that Rocky has put together? I did give Rocky some editorial comments, minor changes in the text. I think the direction of the IMRC in this case is that the Executive Officer will attend the hearing, will prepare a letter of support, will help the author's office in considering amendments that would make it work more smoothly and will consider certain exceptions. Roger Nickey?

MEMBER NICKEY: Draft of which letter?

MR. CARLISLE: It's the second letter under Tab 6. The first letter is to Assemblyman Jones, which we'll get back to that one.

CHAIR LAMARE: So let's take a look at the second letter under Tab 6. I just think this is great. Another example of how the University of California at Davis is helping to improve air quality on a daily basis. Jeffrey, thank you for that analysis and leading us, as Gideon has said, exactly where the Committee should be going.

MEMBER WILLIAMS: You cannot say this is in my self-interest, this particular piece of legislation.

CHAIR LAMARE: No. He's a masochist. Okay, so the letter's okay? Saldaña, Assemblymember Saldaña. All right, so that having been concluded, I don't think we need a vote. Does anyone think we need a vote here because we've already endorsed this position in our annual report and this is simply follow-up.

MR. CARLISLE: Okay. The next bill is AB255 and it's another Smog Check abatement fee and essentially this bill would increase the smog abatement fee, which as you know right now is $12.00, to $16.00 and it would essentially fund the Clean Air and Energy Independence Fund and initially I thought this might have been sponsored by another State agency, but it's not. And so I still have to find out who the sponsors of this bill are.

CHAIR LAMARE: Any comments? Mr. Nickey?

MEMBER NICKEY: Okay, I need a clarification on what we're referring to when we call it the Smog Abatement Fee. Is this the one that they're charging in lieu of the Smog Check?

MR. CARLISLE: Correct. For the six year and newer vehicles.

MEMBER NICKEY: Okay, then I do want to comment. What we've done is we've exempted a bunch of vehicles from Smog Check, we've turned around and charged those people a fee in place

of the Smog Check, which is just basically a tax. Now that we've got in place, we're going to increase it. So these people are not getting the Smog Check for six years and they're paying for the privilege at $12.00 per year. Now it's going to go to $16.00 per year and still no Smog Check. Is that correct?

MR. CARLISLE: Yes.

MEMBER WILLIAMS: Could I have a clarification that is an annual fee rather than when the biannual would have been due?

MR. CARLISLE: This is an annual fee, yes. Correct.

CHAIR LAMARE: So do I hear any sentiment on the part of the Committee to want to delve into this bill, study it, and consider a position? No? Okay. Let's move on then.

MR. CARLISLE: Okay. The next bill is by Assemblyman David Jones, AB616 and it would implement an annual Smog Check for vehicles 15 years or older. And I also put support here and as well have drafted a letter in support since we did in fact recommend this on two different occasions. On a discussion that I had with Assemblyman Jones at a meeting - it was actually on the street for the paratransit group, they were sponsoring or implementing some new hybrid vehicles and Dr. Gould is on the board of the paratransit group and so we went over there. Anyway, we had the opportunity to meet with him and he's genuinely interested in this bill. His only concern or reservation was that of

how to handle low-income people. And we assured him and I think it's spelled out in legislation as well, not as clearly as what maybe it needs to be, but that they would be taken care of by the Consumer Assistance Program if they were truly low income.

CHAIR LAMARE: Well, the repair cost, but the Smog Check would not be taken care by the CAP Program.

MR. CARLISLE: Correct.

CHAIR LAMARE: So we may want to consider having more a hearing and discussion about ways to alleviate the impact of annual Smog Check on low income folks before this legislation gets too far down the line in hopes that we may come up with some creative ideas for Assemblymember Jones.

MR. CARLISLE: Yes, there's also some editing of the bill that is required because it says Smog Check inspection fees and I seriously doubt that the 8,000 Smog Check stations want to give up their Smog Check inspection fees for this bill. What it's referring to is the $8.25 would go into the high-emitter polluter and repair account, or the HEPRA, and they would be used for CAP, but the way it's currently worded, it sounds like they want to take Roger's fee and put that into the HEPRA account.

CHAIR LAMARE: So I think it would be helpful for you to work with the author's office and sponsor's office on more of the technical aspects of this bill so that they understand, they

get what they're looking for and they get support from the Committee and considering alternatives and options for their bill that make it more workable.

MR. CARLISLE: Okay.

CHAIR LAMARE: Other comments or questions about AB161? Well, okay. From the public we have Mr. James Goldstene from the Air Resources Board.

MR. GOLDSTENE: James Goldstene, Air Resources Board. I just want to maybe correct the number, at the bottom of the draft letter it shows a proposed reduction of 27 tons a day and I think the number is less than that, something around the order of 21.

MR. CARLISLE: That's by 2010 according to ARB.

MR. GOLDSTENE: That's 2014.

CHAIR LAMARE: That was the 2014 number wasn't it?

MR. GOLDSTENE: Yes.

CHAIR LAMARE: Have you revised that?

MR. GOLDSTENE: I don't know when that number was obtained, but I think we've revise the number since then so we'd be glad to work with Mr. Carlisle -

CHAIR LAMARE: Oh, check that out.

MR. CARLISLE: Okay, yes, if it's been revised, I was going off the 2004 report.

MR. GOLDSTENE: Yes. Also, Madam Chair, and this is up to you as a matter of Committee policy, it would seem that the

Committee should be taking votes on each of these actions.

CHAIR LAMARE: Okay.

MR. GOLDSTENE: I just suggest the Committee consider that because you're directing action of your Executive Officer, but I'm not attorney, but it might be worth checking.

CHAIR LAMARE: Okay. We don't have our attorney here, so it helps to have experienced people with the State agencies to give us some clues. I was assuming that since we have already stated our support for these policies in our annual report that the Executive Officer was merely executing our will in terms of prior policy positions, but I think we should go ahead and we'll take a vote. Thanks. Looking first at AB218, Assemblymember Saldaña has introduced a bill specifically to implement a recommendation from the IMRC report of 2006. Do we have a motion for the Committee to support the bill? I think Gideon and John -

MEMBER HISSERICH: I'll second.

CHAIR LAMARE: - Hisserich seconds it. They spoke in favor of it, so all those in favor please signify by saying aye.

ALL MEMBERS: Aye.

CHAIR LAMARE: Is there anyone opposed? And does anyone abstain from this vote. Okay, a unanimous vote by the Committee to support AB218 and to send a letter to the author's office to participate in the hearing.

--oOo--

CHAIR LAMARE: AB616, again the Committee has already recommended this policy position. Is there a motion to support the bill AB 616 as it is introduced?

MEMBER WILLIAMS: I'll make that motion.

CHAIR LAMARE: Dr. Williams.

MEMBER DECOTA: Second.

MEMBER HISSERICH: I'll second it - no, let Dennis -

CHAIR LAMARE: And Mr. DeCota seconds. All those in favor please signify by saying aye.

ALL MEMBERS: Aye.

CHAIR LAMARE: Is there anyone opposed? And does anyone abstain? Okay, adopted unanimously by IMRC. Any changes to the letter? Okay, well, I made a few I think minor changes and we'll get those letters out.

--oOo--

CHAIR LAMARE: So the next bill is SB23.

MR. CARLISLE: SB23 again is - I believe this is the third introduction of this bill. It's to take basically donated vehicles and use them for exchanges in the San Joaquin Valley and essentially this limits the exchanges to 200 vehicles annually. The other issue, it would require HEPRA money for funding and I'm not sure if this a redundant program. I haven't spoken with the author or the supporters of this bill, but as you may recall, this was introduced at the last session or during the last session. It was

originally going to be a statewide bill, but being a pilot that's kind of a broad pilot. So it was reduced, but like I say, this is the third introduction of this bill.

CHAIR LAMARE: Comment by the Members?

MEMBER DECOTA: We need more information.

CHAIR LAMARE: That was Dennis DeCota asking for more information, which might come in the - if the author's staff might want to make a presentation to us about the bill then we would have the opportunity to make comments about things that might be helpful to them.

MR. CARLISLE: I'll see if I can arrange that for the next meeting.

CHAIR LAMARE: I'm not sure that we as a Committee have much of a jurisdiction in commenting on a district level scrappage program. I would, though, like to talk - if they were here, then I would want to ask them if they're working with Valley CAN and if they've looked at how Valley CAN is operating a voluntary program. If it reduced the HEPRA fund, then that might have an impact on the Smog Check program and Dennis DeCota agrees that might.

MR. CARLISLE: Yes, I do, too.

CHAIR LAMARE: So then that's where we come in, I guess. Any other comments on SB23? Questions? Anything else in this Legislative Report?

MR. CARLISLE: No, ma'am, that's it.

CHAIR LAMARE: All right. Well, we're going to move on to maybe an easy or a tough discussion about whether to send a letter and have our Executive Officer participate in the upcoming regulatory hearing about the - oh, I'm sorry. Indeed, I'm sorry. We need to have public comment on the legislative agenda and I apologize to the folks that are here. Bud, your first, and then Len, and then Charlie. Anyone else want to comment on the legislative agenda? Bud Rice?

MR. RICE: Good afternoon. Bud Rice with Quality Tune-Up Shops. Just a quick comment on AB255. I'd like to kind of second I think what Mr. Hickey [sic] was saying. It almost sounds like it's a revenue-generating sliding scale here where we used to charge this and now let's charge this to these customers that don't get an opportunity to get a Smog Check. Next would probably be let's move more cars out of the program and go past year six, because that's a way to get some easy money, so I would just caution the Committee that that appears to be the sliding scale that you're on and I would guard against that. Thank you.

CHAIR LAMARE: Thank you. Len Trimlett?

MR. TRIMLETT: I've got a question about the late Smog Check fee bill. I've had two cars where the regular registration never got to me. I discovered it after the fact. Yes, I paid the late fee, but the real problem here is there's something in the DMV mechanism that prevents that

registration from getting to me. How would that be effected by this bill?

MR. CARLISLE: I think it's like most licenses. They leave the owness of the renewal up to the owner of the vehicle. It doesn't matter if it's a Smog check license, for example. The Bureau of Automotive Repair, if you fail to get your renewal notice for whatever reason, maybe you didn't change your address, you'll still be assessed a penalty for late renewal or your license expires. And I think it's the same thing with DMV.

MR. TRIMLETT: It just happened to me that I had realized I had not paid the fee because I had not gotten it. And this was the same address, everything perfectly normal, but it did not get to me. So I'm trying to figure out what's going on.

CHAIR LAMARE: Well, thank you for that input and -

MR. TRIMLETT: I have one more question - one comment. I wish to go on record opposing AB616 on the grounds that the bill is vague. It does not adequately distinguish the smog exemption for '66 to '75s and other vehicles. I will choose to write to the author and express my opposition to the bill and request for clarification. Thank you. I'm also opposed to the late fee bill on the grounds that it's another tax, as well as AB255. That's another tax. Tax and spin, tax and spin. Anybody?

CHAIR LAMARE: Thank you for your comment. Okay, Charlie Peters

is next.

MR. PETERS: Madam Chairwoman, Committee. My name is Charlie Peters, Clean Air Performance Professionals, in case any of you didn't know. On the bigger picture, this group being orchestrated apparently as a lobbying group, the question is, who do you represent and who do you need permission from to do that and apparently no one, just whoever you happen to be working for. It's not obvious necessarily. It seems to me as though in my limited experience that legislation tends to be about details. Little tiny things make a huge difference. Just working as lobbyists here with no apparent control by anybody is the only entity in the State of California that has basically no controls and it sounds to me like maybe it's time for some to be considered. I think it might be appropriate for you to get legal blessing of the direction that you're taking. There was considerable discussion of this kind of issue some time back, last year as a matter of fact, and an attorney was called in and opinions gotten and they didn't seem to be considerate of the results, but I have strong reservations that going forward with where you're at without getting some legal advice probably is not appropriate. Having said that, I think that pretty much covers the fact that this broad-based, we're deciding what we're going to support and what we're not based on how you happen to feel about it or

whoever's paying you or however that works does not sound appropriate to me. Thank you.

CHAIR LAMARE: Thank you, Mr. Peters. I'd just like to comment that the two bills that we supported today were recommended by our annual legislatively-mandated evaluation report for the Smog Check and that we held many public hearings on that report. So I will ask you to sit down now because you've made your comment and -

MR. PETERS: Madam Chairman, I would like to respond to your -

CHAIR LAMARE: No, you will sit down now because you have made your comment and I will call upon Members of the IMRC. Thank you. Who was going to speak next? Dennis DeCota?

MEMBER DECOTA: The comments that Mr. Peters has made I have a hard time understanding because they are our recommendations that our charge is to advise the legislature and the Governor's office on program improvements. And if they become legislation, my goodness, haven't we accomplished our goal?

CHAIR LAMARE: Thank you, Mr. DeCota. Mr. Peters, please sit down. We're going to move on with our agenda.

--oOo--

CHAIR LAMARE: So the next item, correct, is that we - last month we heard about the BAR's proposed regulation for low-pressure evaporative testing in the Smog Check program and our Executive Director has prepared a draft letter to

present at the hearings. We're going to discuss this now and see what the Members think. I'm quite sure that the Members of IMRC support low-pressure evaporative testing since that's one of the recommendations that has been in our annual evaluation of Smog Check for some time. And the only issue is that there is in addition to the recommended portion - the recommendation we made about low-pressure evap is that in the proposed regulations there is also a provision for directing vehicles to Gold Shield for initial tests. And our annual report is quite ambiguous on that point. We can go back and look at our language, but our report did not specifically recommend that. It said we need to have more consideration. So this hearing is coming up and I'd like to hear from Members of this Committee what they want to see Rocky do or say at the hearing and then I'll call on Mr. Nickey first.

MEMBER NICKEY: Well, first of all, I'm at a loss as to how this got tacked on to the evap proposal. This has nothing to do with evap. It's an issue that's been taken up here numerous times and to my knowledge, there was never an agreement by this Committee to do this. The last thing that was established was there was no clear way to judge station performance and failure rate certainly wasn't it. The Sierra Research analysis had not yet come in and that we basically were going to table this thing until we had

further information. Now all of a sudden, out of left field, at least by my own observation, this thing came flying in and attached itself to the evap bill. First of all,

CHAIR LAMARE: So, Mr. Nickey, are you saying you do not wish to endorse the portion of the regulation that directs vehicles to Gold Shield stations for their initial test?

MEMBER NICKEY: That's correct.

CHAIR LAMARE: All right, thank you. Is there any other comment? Any public comment on the issue of the low-pressure evap reg? Oh, I recognize Tim Carmichael from the Coalition for Clean Air.

MR. CARMICHAEL: Thank you very much and I'm glad this timing worked out. I'm juggling meetings today.

CHAIR LAMARE: You look a little soaked, Tim.

MR. CARMICHAEL: It is raining for real outside right now and I didn't bring my umbrella today of all days. So I'm the president of Coalition for Clean Air. We have been working on Smog Check issues since the program's creation in the early '80s. We are very supportive of the evap portion of the program moving forward in support, BAR progressing with that. We have concerns, however, about the other piece, as the gentleman just said, was kind of tacked on or kind of came out of left field and that was our perspective as well. Our concerns relate primarily to the fact that we don't

think the case is clear on the effectiveness of Gold Shield stations to test and repair vehicles right now. And we believe the information that will become clear with the Sierra Research data - study, which we expect to be concluded this year, it seems at a minimum, whether you think it's a good idea or not that the State should wait for that testing work or that assessment work to be done before making a significant change to the program. That could be impacted by the results of that assessment. Separately, we really like the fundamental premise in the program because of the security we believe it brings to the program to separate test from repair for the most polluting vehicles. And that is something that we have advocated for, what, almost 15 years, more than 10 years now. But the main argument or the main point I want to make to this group today as you're considering how to weigh in on this is it is premature to advocate in support of it. It's premature for BAR to be proposing a change like this to the program given this very significant assessment that's underway. It's under contract to the State and the results will be in later this year. So we would be please to see the Committee to continue to support the evap portion of the program. We would encourage you not to support the other piece. In fact, I've given the staff of this group a copy of our letter that we sent into the administration a week or ten

days ago and that makes the same points I'm making now, but we'd encourage you to consider those as you're crafting your letter on this piece of it. Thank you very much.

CHAIR LAMARE: Thank you, Tim. Are there any questions of Tim? All right. Yes, we have a couple, Tim, if you could indulge us. One from Roger Nickey.

MEMBER NICKEY: Well, in light of that, can I propose a motion to just table this portion of it until later?

CHAIR LAMARE: That's not in order yet, because I asked for question of Tim.

MEMBER NICKEY: Okay.

CHAIR LAMARE: Jeffrey Williams?

MEMBER WILLIAMS: I was confused a bit of one thing you said. Already Gold Shield can do the test after repair.

MR. CARMICHAEL: Yes.

MEMBER WILLIAMS: And so -

MR. CARMICHAEL: But that's different I think than - that was not something that we were keen on when the change was made. But there's a logic there. It's really driven by convenience for the consumers more than anything else. The difference, though, is what this new program is proposing is allowing directed vehicles that would otherwise have to go to test-only facilities to go to either a test-only or a test-and-repair Gold Shield facility and I think the jury's still out on the effectiveness of the Gold Shield facilities

to - both on the test and the repair side of this and I think that's something that the whole program needs to come to terms with. At least the preliminary results from the Sierra Research assessment raised a lot of questions about how well that portion of the program is working.

MEMBER WILLIAMS: I agree that it looks to be raising a lot of questions, but I continue to be puzzled that a Gold Shield station by definition has to be doing as well as test-only stations. And so if there is a difference found, then it ought to be that there's something wrong in certifying what's Gold Shield to begin with. That seems to be another issue really than who does the test.

MR. CARMICHAEL: Okay. I would agree with your assessment there, your logical conclusion that maybe the problem is the way we're classifying Gold Shield stations. I think that's something that needs to be looked at. But while that question is out there in a big way, does it make sense to direct more vehicles to these stations when we might be able to answer that question, if not fully, at least better later this year when the Sierra Research assessment is completed.

CHAIR LAMARE: And Mr. DeCota?

MEMBER DECOTA: The issue that Mr. Carmichael brings up has got validity to it with the exception that there has been recent information come forth, especially to do with the high-emitter profile. It shows that there are issues as far as

the way cars are being directed and how they're comparing to false failure rates and different things with this. I know Sierra is looking at it, but the Governor's office is very much aware of this. Have you talked to them? Have you gone forward and looked at the new information that has surfaced?

MR. CARMICHAEL: I'm not sure I have seen that new information and we have corresponded with the Governor's office. I haven't sat down with them on this.

MEMBER DECOTA: So as an industry representative, without the additional income that they could get by achieving a higher goal through Gold Shield, which has it's own criteria of eight different ways it has to be superior to a test-only. You don't feel that's sufficient enough that that be a one-stop shop for a consumer?

MR. CARMICHAEL: I'm concerned based on the Sierra Research preliminary results that we don't really know the answer to that, whether it does make sense. Remember, I'm coming at this from the air quality lens, but I'm not blind to other aspects of this program and I understand the economic dynamics and the small business dynamics. But coming at it from the air quality lens or focus, I have concerns about whether or not the Smog Check Program is really achieving the emission reductions that it's credited with.

MEMBER DECOTA: We all do.

MR. CARMICHAEL: And as a result, I'm skeptical or concerned

about any proposed changes that might either exacerbate or continue that problem or problems in the program. I think for me, I can even separate my environmental perspective on this and say logically, as a matter of public policy, you've got a big assessment that the State is paying for that will be completed later this year. It could be influenced by this, it could have results or findings that influence the decision on whether this change that BAR is pursuing should go forward. It doesn't make sense to me to move ahead with it right now when in six months you might know a whole lot more.

MEMBER DECOTA: And I understand your logic, I really do. I don't agree with it. I think that the mode of testing is very important to the consumers' acceptance of the Smog Check Program in general and I think these type of testing that's being done now is driving costs considerably under the program, which I believe is also hurting the program. But I also know that industry will not get in bed with an evap test without the ability to earn the customer and the consumer's right to test their vehicle back. So if you're saying take this out of the equation, then we're too premature on evap maybe. Because evap shows I've heard anywhere from a year ago that it was going to reduce six tons to 14 tons. There's a huge dichotomy of opinion here. Is that the way we go about all Smog Check issues? I don't

think so.

CHAIR LAMARE: Don't badger the witness, Dennis.

MEMBER DECOTA: I'm sorry, Mr. Carmichael.

MR. CARMICHAEL: No, no, no.

MEMBER DECOTA: I don't mean to badger you, I apologize.

MR. CARMICHAEL: I'm not feeling that yet.

MEMBER DECOTA: But you hit a nerve, you hit a nerve. And I admit it, okay, but we've been a long time going the wrong direction. We'd better look at making a better program.

CHAIR LAMARE: Okay, there's half the industry perspective. Thank you, Dennis.

MEMBER DECOTA: Sorry.

CHAIR LAMARE: I think we have another comment from Roger Nickey.

MEMBER NICKEY: Well, the issue that hasn't been mentioned here today has come up in the past numerous times, and in fact, with this was brought up before, the legislature had a problem with this because of the Consumer Assistance Program funds. You've got Gold Shield, which is eligible for Consumer Assistance Program funds, doing the test, failing the vehicle, and getting paid for the repairs. It's the same conflict of interest as the problem right now and I don't see how we can support this until we address that issue.

MR. CARMICHAEL: For the record, that is an issue that we

address in our letter. I just didn't mention it today.

CHAIR LAMARE: And, Rocky, we don't have that letter available, copies of the letter?

MR. CARLISLE: It came in at 6:00 last night. I haven't had a chance to pull it off the computer.

CHAIR LAMARE: Oh, okay. So you could forward that to the Committee Members?

MR. CARMICHAEL: I apologize for sending it late. I apologize.

CHAIR LAMARE: Well, thank you for coming today.

MR. CARMICHAEL: Thank you very much for the opportunity to testify.

CHAIR LAMARE: We appreciate your being here. Now are there other members of the audience who want to address this issue? Len, Charlie, is the Bureau going to say anything, no? Okay.

MR. TRIMLETT: Len Trimlett, Smog RFG. Two comments. Number one, the presence of test-only is a restraint of trade. I would not go to the Smog Check station that I had to go to if I had my choice. While I like the idea of Gold Shield being able to go to a test-and-repair, it is my feeling that the worst or the best test-only is worse than the best - excuse me, the best test-only is worse in cleaning the air than the first Gold Shield. Why? Bottom line is a test-only cannot clean a single car. They can't do repairs. The only one that clean a car is the Gold Shield or test-and-

repair. While I support the idea of the Gold Shield station, I think maybe you should be dealing with the fact that test-only is in fact restraint of trade. Now with respect to the evap test. You must remember that that current piece of equipment cannot test the evap canister. You're charging a Smog Check station $3,000.00 or more for that piece of equipment, but it does not check the canister. Why are we spending that money for that equipment if it only does half the job? Rethink it and go back to the drawing board, come up with a piece of equipment that can check that canister as well. I also ask the question, who's going to pay for the line that gets crimped off and broken because of this evap test when I have to come up for my repair? Who? I say down with test-only, no on the evap canister system. Thank you.

CHAIR LAMARE: Thank you, Mr. Trimlett. Rocky, I don't know if you want to address Len's questions or make some notes and address them at the end or what.

MR. CARLISLE: Well, the one that crossed my mind, as far as damage to the evap system, in over 4,000 tests that I personally did, there was only two damaged and one was known beforehand. In other words, the amount of damage to these systems as a result of this test is negligible or nonexistent.

CHAIR LAMARE: Okay. Jeffrey, gentleman in the gold shirt?

Jeffrey Williams, no. Could you identify yourself because you're a stranger to me.

MR. WILLIAMS: I'm Dave Williams.

CHAIR LAMARE: Dave Williams.

MR. WILLIAMS: I'm here on behalf of CETIA, I'm a board member.

CHAIR LAMARE: Now CETIA is?

MR. WILLIAMS: California Emissions Testing Industry Association.

CHAIR LAMARE: Thank you.

MR. WILLIAMS: And I'm here today on behalf also of Randy because he unfortunately couldn't be here. He had some health issues. So I'm not used to doing this so I hope you'll be kind and patient and I promise I will be as brief as I can.

CHAIR LAMARE: Okay, you have three minutes and then the shock buzzer goes off.

MR. WILLIAMS: Okay. As you're well aware, CETIA has always been in support of the fuel evaporative test. We know that's a necessary component and we realize that. Any thoughtful person in the room probably comes up with similar conclusions. So that being said, I've got a list I will give you of some of the reasons we're not in support of that portion of the regulation that deals specifically with allowing Gold Shield to do the initial test, but I also would like to say that in light of the testimony of Dr.

Lawson today and of Ms. Wimberger that we've got some issues here that maybe we shouldn't even be considering endorsing that portion of the regulation. As we heard today, Dr. Lawson talked about a two-thirds failure rate in the Fresno study of cars that were tested within less than a year and of those, we also had a 35 to 40 percent after-repairs failure rate, which deeply calls into question the repair durability of the industry as a whole. As well, Ms. Wimberger talked about how she had a very hard time getting an arm around these stations, the types, the different failure rates, how each failure rate was different from another shop, how each shop performed. So in other words, we don't even have the ability to come up with valid performance standards that are uniform right now. Now given that testimony alone I think is enough to table endorsing that portion of the regulation until we get more data. But I also have a short list that I'll read as well, but I think we may be facing a future tsunami in terms of air quality that could be coming down, just give this information today and the bit of information we've already gotten from Sierra Research. So I think it would be very premature. But let's start with what we do know. We know that what affect this portion of the regulation will have on air quality, we don't know that yet. We don't know that. We don't know positive or negative. We don't know the full results of the Sierra

Research study and that should be the basis for any sound recommended changes in this regard. What we do know, we know there has never been to my knowledge or CETIA's knowledge, a precedence set by the IMRC for making a recommendation of this nature separate and outside the normal program evaluation process, which was concluded at the end of last year.

CHAIR LAMARE: Could I ask you to wrap up?

MR. WILLIAMS: Okay. Well -

CHAIR LAMARE: And your points have been well made.

MR. WILLIAMS: I guess really the last point I would like to make is that the sole basis for this portion of the regulation seems to be that we want to add consumer choice and convenience. And I think the VID data completely contradicts that premise and no one has taken the time the analyze that very simple statistic. And what I mean by that is this -

CHAIR LAMARE: I think that's enough, thank you.

MR. WILLIAMS: Well -

CHAIR LAMARE: That's your three minutes and your points are well made, so not to worry.

MR. WILLIAMS: The VID data is very clear on the convenience issue.

CHAIR LAMARE: Well, we did a study ourselves of consumer convenience and consumers are very happy right now, so I

think the point has been made here many times. Bud Rice? And congratulations on your first presentation to IMRC if that's what that was, Dave.

MR. RICE: Hi, Bud Rice with Quality Tune-Up Shops. A couple of fast comments. One of them was in Emily's presentation, Dr. Williams, it might be interesting to kind of one of these days take a look at the pricing issue. I think that's very interesting as well. If you went back in time and you had the separation of test-and-repair with test-only, there was a huge pricing differential. Whether or not that still holds true today, I'm not going to raise that issue here today, other than the fact that if in the end the reports come back and say that whether someone has a test done here or a test done there, the differences are very small. Let's just assume that that's how the report comes back, and if it did, what happened to all these people that paid a lot more money in terms of a test done at one place versus another because they were forced to do that? What happens to those people and what happens to that money. And Mr. DeCota was also correct in terms of the evap test. The industry is not going to be happy if there isn't a way to recapture an investment that they have out there for a new piece of equipment. It's not going to be pleasant in terms of how the street and how the market receives that. Those are my points.

CHAIR LAMARE: Thank you, Bud. I believe Mr. Peters is the last speaker. Is there anyone else who wants to address this?

MR. PETERS: Madam Chairman and Committee, my name is Charlie Peters, Clean Air Performance Professionals, here today representing motorists. And I find this fascinating, the debate over this regulation that doesn't seem to be required in statute, it just seems to be that some friends decided this might be a neat thing to do. It seems to be a matter of politics that the California State Senate rejected last year. They said they were happy to deal with some things that had to do with how the customer is treated, how the program performs, but the thought that this issue was primarily the issue of deciding who gets the money and I didn't think that was appropriate discussion. So we're going right on past the will of the California State Senate. Some of them have changed since then, that's true, but they rejected it and now we're going forward. I don't think that this is an appropriate debate at this point at all. I think the rules of implementing regulation are that consideration of other issues which can have a cost advantage or a performance advantage has to be a part of the discussion. And as an example, we have 1.43 million out-of-state plated daily rented vehicles in California, none of which ever gets a Smog Check anywhere in the country ever. That's a small portion of very likely large group of cars that probably

should participate in the competitive marketplace of Smog Checks, be they test-only or test-and-repair. I believe that if you look at all those issues on my list of things to do which the Committee has received a number of times, that you probably can potentially double the amount of business in the program, in the competitive portion of the program and that includes test-and-repair and test-only and provide a significant improvement in air quality for the state of California, a significant improvement in how the public is being treated in California. So I think that that's an appropriate consideration at this point. I do not think it is appropriate to go forward with this at this juncture and I think it deserves further consideration before we progress. Thank you, Madam Chairwoman.

CHAIR LAMARE: Thank you, Mr. Peters, for your comment. Now I think that concludes public input on this issue. And I'd like the structure the Committee's discussion in the following way. First, I'd like to hear that Committee Members believe that it is appropriate for our Committee to comment in the regulatory process. We know that we're charged by statute with advising the legislature and commenting on legislation and I see that Rocky's about to bring something up. Maybe you could bring up our legislative statutes governing IMRC. It's on our website wherein it says the Inspection and Maintenance Review

Committee is hereby created to analyze the effect of the improved inspection and maintenance program established by this chapter on motor vehicle emissions and air quality and the functions of the Review Committee shall be advisory and pertain primarily to the gathering analysis and evaluation of information. As I understand it and I have only been on this Committee about four years, this Committee has not in the past commented on regulatory matters and has not participated in the regulatory process, which is under the purview of the Bureau of Automotive Repair Department of Consumer Affairs. And so before we move on to the issue of what should our letter contain, I'd like to be assured by the Members of this Committee that indeed they want to participate in that process and that they feel it is in our purview to do so. I'm going to recognize Bruce Hotchkiss.

MEMBER HOTCHKISS: I guess I tend to take a rather broad interpretation of our role and I believe we do have a responsibility to, as Charlie Peters said, to lobby. We are charged here to -

CHAIR LAMARE: Are we charged with commenting in the regulatory process by the Bureau?

MEMBER HOTCHKISS: Well, I believe we are if it is going to make air quality better, make the program better. We are here to make comments on improving the program.

CHAIR LAMARE: And for those who want to know what we're talking

about, it's the third letter under Tab 6.

MEMBER HOTCHKISS: Yes, and I'd also - I want to make a comment because Charlie did make this and I know he was directing it kind of broadly, about who pays us to be here. I know myself and I know there are a fair number of people who are up here on our own dime, so I thought that was kind of an unfair shot.

CHAIR LAMARE: And you're in favor of us sending the letter -

MEMBER HOTCHKISS: Yes.

CHAIR LAMARE: - and you think it's appropriate for this Committee to go to the regulatory hearing and be represented there.

MEMBER HOTCHKISS: I do.

CHAIR LAMARE: Okay. Who else? Jeffrey Williams?

MEMBER WILLIAMS: I think it's appropriate for us to send such a letter and use as the example that if we were, as the previous chair frequently inquired about the state of the fuel evaporative regulations of the BAR chief and for us not to send a letter saying nice going that you finally are on with this seems to me rude.

CHAIR LAMARE: Okay. Thank you, Jeffrey. I see Eldon Heaston.

MEMBER HEASTON: Thank you, Madam Chair. I just remember reading the enabling legislation when I first came on the Committee and it seemed to me that we are to make recommendations and suggest legislative change to the

legislature in our reports and that was the extent of some of the commenting and that may be where you're maybe remembering it from, so I think we do have to be careful how far we want to run away from the idea that we're supposed to be just evaluating the Smog Check Program itself, which is our main charge and while it's tempting to get into the fray and to comment on some of these things, we should probably weigh whether or not the appropriateness of certain things may or may not be part of our charge.

CHAIR LAMARE: Are you convinced one way or the other about whether we should send this letter to the Bureau or be at their hearing.

MEMBER HEASTON: I was just asking the question of myself was why do we even need the letter? We made it clear at the last meeting as part of our minutes, which I'm sure they read, what our position is on evap test and we usually incorporate those kinds of things in our report, so that's where it should come.

CHAIR LAMARE: It's clear that it's in our report? Anyone else? So that means everyone else can swing either way? Dennis DeCota?

MEMBER DECOTA: I think we send the letter and we have representation at the hearing.

CHAIR LAMARE: Bruce is yes, Dennis is yes. Jeffrey is yes, Eldon says we don't really need the letter and John and -

let's see, maybe I should say something. How many votes do we have here. The first thing you've got to do is know how to count. I'm not doing very well here. Well, maybe we'll do it the other way. Roger says no and Eldon says we don't need to, so that's a minority. John?

MEMBER HISSERICH: Well, I'm thinking it over. I've been looking over quickly here as it scans by the statute that puts us into place and I don't see anything in there one way or the other about whether we can or cannot comment on regulations. If we can make comments on legislation, which everybody seems to agree that we can, it would seem to me that making a comment on the regulatory process is even in some sense less of a "lobbying" effort than one might construe by commenting on legislation. It's simply dealing with regulatory stuff now. They're reviewing the document here as we speak. I would be inclined to support sending the letter because I think it just reinforces what we've said in the report and as long as we've said it in the report, that's fine. The question about whether to go with the Gold Shield piece or not is the one that I find more problematic. The issue of supporting evap testing is fine. The other one may be over-reaching at this point for the reasons stated by some of the folks in the audience.

CHAIR LAMARE: So now we're at four versus two and there's two of us who have yet to speak up. Gideon?

MEMBER KRACOV: If someone were going to make a motion, I would say we send the letter.

CHAIR LAMARE: Okay, so now we have five votes for sending the letter. So let's have a motion from Gideon, seconded by Bruce that we should send a letter to the Bureau and the Bureau's regulatory process expressing an opinion about what they're doing. All those is favor or is there - is it a clear motion?

MEMBER KRACOV: We've got a proposed letter here, I'll make a motion that we send this letter and we can open discussion on -

CHAIR LAMARE: That's not the motion I want, though.

MEMBER KRACOV: Okay.

CHAIR LAMARE: I want a motion that we're going to send a letter, then we'll talk about the letter says.

MEMBER HISSERICH: I'll make a motion that we send - that we communicate with the Bureau about the issue of evaporative testing.

CHAIR LAMARE: Yes and that -

MEMBER HOTCHKISS: And I will second it.

CHAIR LAMARE: Okay, so the motion is by John, seconded by Bruce, that we send a letter to supporting -

MEMBER HISSERICH: The inclusion of evap -

CHAIR LAMARE: I was trying to separate the questions so we could just get -

MEMBER HISSERICH: We just want the evaporative issue on this at the moment - oh, that we send the letter.

CHAIR LAMARE: I was just saying that we separate the two motions. One is that we send a letter.

MEMBER HISSERICH: Right.

CHAIR LAMARE: That it's appropriate for us to send a letter because the question is raised is it appropriate for us to send a letter.

MEMBER HISSERICH: Right, that's the motion then, it's appropriate for us to send the letter.

CHAIR LAMARE: Can we do that? It just feels better to me to say, okay, we ask the question is it appropriate for this Committee to send a letter to the regulatory process to participate in that process. Reasonable people could differ and they could say, no, let's stay out of that. But we have a motion by John, seconded by Bruce, that we're going to do a letter. All those favor, please signify by saying aye.

MEMBERS: Aye.

CHAIR LAMARE: All those opposed? There are two nos. Any abstentions? Motion passed, how many people are here? Six to two that it's appropriate for us to participate in the regulatory process and send a letter and be present. Now let's talk about the letter is going to say and what our instructions are for our Executive Officer to participate in this regulatory process. Somebody was about to make a

motion on that before and is anybody comfortable with moving?

MEMBER KRACOV: Yes, to get the discussion started, we have a draft letter. I make motion that we submit this draft letter and discuss it.

CHAIR LAMARE: Is there a second?

MEMBER HOTCHKISS: I will second that.

CHAIR LAMARE: So the draft letter in Tab 6 has been moved and seconded. Are there any comments on the draft letter? Gideon?

MEMBER KRACOV: I've sat here and listened to the discussion of the Gold Shield and I think there is certainly consensus on this Committee with regard to the evap emission part of this letter and the issue is the direction of initial test to Gold Shield stations. I'm persuaded that it's an issue that we're going to hear more from when we get the Sierra review. I've sat on this Commission for three and a half years and I have not been persuaded one way or the other yet. I think we've received a lot of public comment on the point. I don't think that there's necessarily a consensus on this Committee one way or the other. So I would be in support of indicating in the letter that we support the evap part of it, but we have some concerns that at this stage this add-on direction of initial test is premature.

CHAIR LAMARE: Well, the existing draft letter doesn't say that

and you moved the existing draft letter. You did that in order to get it on the table, is that what you're saying? Okay, so you would change the language to say more difficult issue is the direction of initial test to Gold Shield. IMRC has examined a number of data analyses comparing Gold Shield and test-only stations in performance on initial smog tests, more research is expected to be forthcoming in a few months and we have no opinion on this or we're - John?

MEMBER HISSERICH: At this time we reserve our opinion as to the appropriate direction of vehicles pending further analysis. Something along those lines. This hints at that, maybe we just need to be more explicit about that, that we just want to reserve that at this juncture.

CHAIR LAMARE: Other comments? Mr. Nickey, Mr. Hotchkiss, and then Jeffrey.

MEMBER NICKEY: I agree with that, that we should send a letter regarding evap and just kind of reserve on the Gold Shield, but I did have a question about this last sentence. However, at least only one Member of IMRC strongly objects to this provision, who did you have in mind?

CHAIR LAMARE: You, Mr. Nickey.

MEMBER NICKEY: I just wanted to get it out on the table.

CHAIR LAMARE: The point here is we didn't really have a lot of consensus about the direction issue.

MEMBER NICKEY: I think premature is a really good word to use

in there. I just think it's premature to do that.

CHAIR LAMARE: Bruce?

MEMBER HOTCHKISS: Well, I don't think it is premature. I think the studies that Jeffrey and Emily have done have shown that there really is very little difference. I've jotted down a whole bunch of different things here and I'm a little scattered sometimes, so bear with me. But the other speaker, Dave Williams, he talked about repair durability and quite frankly, repair durability has absolutely nothing to do with test-only because test-only doesn't do any repairs. So you've got to take that out of the equation. Repair durability is a problem all by itself and either we or the Bureau of Auto Repair needs to deal with it, but it really has nothing to do with the competency of the testing. And I know this is anecdotal, but I would say that in my experience and the people I talk to, the competency of the testing, there is no difference. Smog techs don't have a test-only license or a test-and-repair license. They have a smog tech license and they go from one type of station to another. So you can have incompetent techs at a test-only and you can have incompetent techs at a test-and-repair and the other way around. It makes no difference. To me, it's like, well, let's put it off for another study. It kind of reminds me when I first came on this Committee six years ago almost and every time the Committee had a meeting, they

would hold another vote on a specific topic, hoping that it would go a different way. And evidentially, that had been going on for years and Dennis can probably back me up on this. And it just seems to me that at some point you have to say we've got enough studies. You can keep doing studies until the cows come home, but in the end, somebody has to stand up and say now. And if the evidence we have received at this point says there really is very little difference, I think we need to go with it. And I do think - somebody else raised the price issue and I know it's regional. In certain parts of the state, there really isn't that much different in the price between test-only and test-and-repair. I can tell you in the Bay Area there is. I have a car that's test-only and I'm sorry, I don't really like spending $60.00 for a test when I could drive to my local shop and get it done for like $35.00, so there is a price difference. As Len says, it's an unfair tax. It is. There is also the issue of the way vehicles are selected to be directed, which are done off of zip codes. I have a 1987 Toyota pickup truck. I live in San Mateo County and I have a friend who lives in Alameda County. He has exactly the same pickup truck. Mine has to go to test-only, his doesn't. so there's a whole unfairness to the directed-vehicle thing that I could be also taken care of if we just do the Gold Shield thing. If we're waiting for a perfect world before

we decide what we're going to support, we will all be here forever. I think at some point you have to say, you know what, it ain't working the way it's going, it isn't fair the way it's going. I think the whole Gold Shield idea is not perfect, it's not going to make everybody happy. It certainly isn't going to make every single test-and-repair station happy, but it is a step in the right direction and I think we need to do it and I think the letter says that we support it and I support the letter as it's written.

CHAIR LAMARE: Okay, thank you, Bruce. Well said. Jeffrey?

MEMBER WILLIAMS: I have two observations to make. One is that in this endless battle between the category test-and-repair and test-only, it's very hard for us to figure out where things will be in a few years. And just take this example. Suppose a lot of consumers choose to, when they're vehicle is directed, to go to Gold Shield. Who's helped by that and who's hurt? Well, maybe test-only seems to be hurt, but maybe a lot of the stations that are now Gold Shield used to be test-only and they switched and the station that stayed test-only has had no effect on it. And it could well be that the test-and-repair people who are not Gold Shield are the ones hurt the most and that somebody that might have taken a vehicle to be repaired there, after the car failed at test-only goes immediately to one that is a Gold Shield. It is very hard to predict and so it's not obvious to me

that anybody's ox is being gored here. That said, I also looked at this letter and the letter says, a more difficult issue is the direction of initial test to Gold Shield stations. I imagine everyone at the Bureau of Automotive Repair, especially Sherry Mehl, knows that. So I'm not sure that we're bringing anything to BAR's attention with this particular paragraph and so I'm inclined to think it doesn't matter all that much and that says to me, why not send it.

CHAIR LAMARE: Yes, okay. Good point. We're going to hear from Eldon.

MEMBER HEASTON: I was just going to add that that whole paragraph, really that whole issue will be settled in the public evaluation of the regulation is sorted out, so how we feel about it or how it ever works out will be totally taken care of in the process when they go forward with the regulations. To me it's mute. I still think we don't have to send the letter.

CHAIR LAMARE: I think - okay, here's what happens. If we come down strongly on one side or the other, we don't get the consensus of the Committee, so we end up with a paragraph that doesn't say anything and does add to the process. It occurred to me when Bruce was talking that really what would better serve everybody is if our letter addressed just the positive aspects of evap and that each individually of us should write a letter to the Bureau with our own personal

experience, judgments, weighing this issue about the Gold Shield direction as individuals, as a personal contribution. Because we've certainly listened to a lot of it for a long time and tried to feel our way through this. I'm also persuaded by John's comment that we should limit our formal participation to what's already in our report, particularly since we're not really adding anything in this middle paragraph of this letter. John?

MEMBER HISSERICH: I think you've said essentially what I - I must say, I've been troubled for a long time by the implied implication that somehow test-only is the purer of the group of business people doing this work. I think all, the best of the best and the worst of the worst are scattered amongst all types of folks out there and there has been some implied implication that test-only somehow has a higher standard. I think - that's troubled me for a long time. That being said, I think at this juncture, I would agree with you. Let's just take that paragraph out, address the evaporative emissions and move on. And then if people feel inclined to come down one side or the other on who should do it, that will come out in the public process and possibly folks from this Committee that feel strongly would show up and weigh in, either in person or in correspondence about that issue. I guess I'm seconding your motion.

CHAIR LAMARE: Well, let's hear from Roger and then we'll

suggest that the mover of the motion might want to take an amendment.

MEMBER NICKEY: What about the conflict of interest issue? Nobody has addressed that.

CHAIR LAMARE: Well, we're not addressing that today.

MEMBER NICKEY: That's part of this program.

CHAIR LAMARE: Dennis, if you do repairs and you have a conflict of interest in doing a test because you're more likely to cheat on your test to get the person to pay for repairs, and that doesn't happen with test-only because they don't do repairs. Okay, so John gets that, Roger.

MEMBER DECOTA: I think the issue has been debated and debated and debated. I look at it that it pits me against my friends. In fact, it pits my organization against some of its own members. I have test-only members. The problem is that the bureaucrats have gotten together and they have decided how they're going to direct vehicles and that's what caused the problem. Okay? I can't compete with somebody that gets a directed vehicle. How do I get a chance at retaining my own customer? The only way that a car gets repaired if it's not scrapped is by good, hardworking technicians that have equipment and incentive to go ahead and fix the cars. If you look back at Sierra Research's report a couple of years ago, folks of this Committee, you'll see that it said that Gold Shield had parity with

test-only. Ask our Executive Officer if you think I'm wrong. I've fought this darn issue for 14 years on this Committee and it's taken up more time than any other issue. And what the issue really is, is a cost to the consumer. It isn't that test-only is a bad guy or test-and-repair is a good guy. It's that the government has come in and started directing vehicles on a program that the legislature stated 15 percent would go to test-only to oversee and make sure that the job was done properly. Then 15 became 36, then fuzzy math came into the picture and then you heard a lot of testimony from a lot of folks that spent a lot of money to participate in the program. The recommendation here isn't whether Roger's right or I'm wrong or whatever it might be, it isn't. It is the ability to compete for the consumer's dollar as a businessman. That's what we're talking about. And that's what this Committee should help, is open the system up, enforce it, and have oversight on it and make it work, that consumers aren't inconvenienced and overcharged, the program cleans the air and we've accomplished the goal. That's what it's all about.

CHAIR LAMARE: Thank you, Dennis. Bruce, last point?

MEMBER HOTCHKISS: Yes, I just want to touch on the conflict of repairing vehicles and then as I guess most everybody knows, I did work for the Bureau of Auto Repair, I was on the Smog Check Program, I did enforcement. Now it's been five years

since I was there so I don't know what the statistics are now. I don't know what the statistics were then. I know what I saw in my little part of the world that I was responsible for and I would say that the number of shops that we ever took action against for performing unnecessary repairs on a smogged car or issuing a certificate to a car they had already spent $500.00 trying to fix, was very small. The incident of cheating had more to do with passing cars that shouldn't have been passed. Not that, my God, I can't get it to pass, I spent a ton of money. That happens, sure, but it wasn't really that large. So 99.9 percent of the shops out there, if they couldn't get it to pass, they wouldn't issue the certificate no matter how much money they had spent. So the conflict I think is really not there. I don't think it happened that often.

CHAIR LAMARE: Thank you, Bruce. So Gideon made a motion that we send the letter as drafted in our packet and we've heard comments. Gideon, what do you think? Should we take the vote on that or do you want to change it?

MEMBER KRACOV: Well, I can change it. There's a lot of people on this Committee -

CHAIR LAMARE: Friendly amendment?

MEMBER KRACOV: Yes. There's a lot of people on this Committee that know a lot more about this issue than I do. All I know is that it's not an issue that this Committee has resolved

in any of its annual reports. It's an issue that still is on the table for future evaluation and is a topic for one of our subcommittees. If in due course we make a decision on this or more general issues relating to Smog Check station performance, then I think that would be the right time to make such a recommendation. I think now is just - to tack it on to a consensus evap letter I think is premature. So I'm prepared, based on what folks have said, to delete this paragraph from the letter and proceed on with just the evap issue. I would make an amendment to my earlier motion on that point.

CHAIR LAMARE: Second? So we have a motion, which is -

MEMBER HISSERICH: Well, the original seconder doesn't agree.

CHAIR LAMARE: Oh, okay. So now what do we do?

MEMBER HISSERICH: We will have to make a new motion.

CHAIR LAMARE: Okay. So we're going to have to vote on the original motion. All those in favor of Gideon's original motion to send the letter as drafted in the packet, please say aye.

MEMBERS: Aye.

CHAIR LAMARE: So that is Jeffrey, and Dennis, and Bruce. And all those opposed to the motion, please say no.

MEMBERS: No.

CHAIR LAMARE: That's the other four to my left. I'm going to abstain, of course. The motion fails four to three. And so

Gideon will now make a new motion.

MEMBER KRACOV: (Inaudible - microphone not on.)

CHAIR LAMARE: And John is seconding it. And I think this worthwhile because we see that we have three strong Members of the Committee who would like to have sent the original motion.

MR. CARLISLE: Point of order, if I may. Before that is voted on, we have to take a couple of comments as an action by the Committee.

CHAIR LAMARE: Didn't we just take public comment on this item?

MR. CARLISLE: On this motion.

CHAIR LAMARE: Okay. So we now have a motion before the Committee to send a letter to the Bureau and that endorses the low-pressure evap portion of the reg. And who from the public would like to comment? Charlie Peters? Thank you, Rocky.

MR. PETERS: Madam Chair and Committee, my name is Charlie Peters, Clean Air Performance Professionals. When this was first brought to my attention was 1991 when EPA came to town and gave all the hydrocarbon reductions for the enhanced program, I/M 240, to the implementation of pressure-purge. A lot of people made some efforts to get that done and never been successful. It's been a continuous ongoing push to go there by some folks. This last couple of years, in particular the last year, the efforts to badger, beat up,

abuse the Bureau of Automotive Repair over this issue, letters going here and there and everywhere, I think the primary issue here is what is this really going to do? In my opinion, it's not going to do very much and what it does will be just initially, other than making a whole lot of money for somebody selling some equipment. I believe that if some further consideration of possibly huge conflicts of interest, of major fleets doing their own inspection and repair, governments doing their own inspection and repair, many, many vehicles not being inspected at all just because they happen to have the right friends, there's just a whole bunch of things that could provide very significant reductions instead of this issue. And I think it needs consideration. I strongly support not supporting this at this juncture and giving further consideration to do other things which will better serve the people of California and the repair industry and the public and the air. Thank you very much.

CHAIR LAMARE: Thank you, Mr. Peters. Bud Rice?

MR. RICE: Thank you, Committee. Bud Rice with Quality Tune-Up Shops. I wanted to thank Rocky real quickly here. My comments are not about the - whether it's in the letter or not, it is more of a point of order kind of thing. It's happened a couple of times today where there's been some public discussion and then there's been a change at the

Committee in terms of what you wanted to talk about and then a vote was done prior to the public getting a chance to make a case before that vote. It's happened at least twice today.

CHAIR LAMARE: Do you remember specifically?

MR. RICE: When you were directing Rocky it happened then and then it just happened -

CHAIR LAMARE: When we were directing Rocky about what?

MR. RICE: About what you wanted him to do - I mean if you just back up and look at the votes you've had today, there was some public comment about maybe some presentations that had been done, then a motion was made, it was seconded, and then a vote was done, but no public comment about that process.

CHAIR LAMARE: About the motion?

MR. RICE: Of the motion. Yes, like I said, it's happened at least twice today.

CHAIR LAMARE: Well, the motion on the legislation, we had a long period of discussion, public comment about different bills and -

MR. RICE: Right, but not today, not today in terms of what the comment was prior to the motion and the vote being done.

CHAIR LAMARE: I'll study the transcript carefully. Thank you, Bud.

MR. RICE: Okay, thank you.

CHAIR LAMARE: Now, are we legal? Okay. There's been a motion.

Is there anymore public comment? There's been a motion by Gideon, seconded by John that we send a letter and that's implied that the Executive Director will be at the regulatory hearing on the BAR regulation for low-pressure evap. All those in favor, please signify by saying aye.

MEMBERS: Aye.

CHAIR LAMARE: Opposed?

MEMBER DECOTA: Opposed, no.

CHAIR LAMARE: Okay, how many no's are there? Two? Is it Eldon?

MALE: (Inaudible - microphone not on.)

CHAIR LAMARE: The letter supports the evap, that's it. The third paragraph of the draft letter is gone. That's gone. So we have a vote of five in favor of the letter, three opposed. So we will send the letter, but I think that you need to maybe report the vote in the letter, don't you think, guys? Okay. Good discussion and thank you everyone for that. Can we now conclude our meeting? Is there anything we have failed to deal with on the agenda, Rocky?

MR. CARLISLE: We didn't talk about the report topics.

--oOo--

CHAIR LAMARE: Our report planning. Is there any Committee reports?

MR. CARLISLE: The subcommittee with future directions of Smog Check, we did have a meeting on that issue and one of the

things we discussed was kind of in the data collection mode, if you will, because there's a report out on OBD-II by Mike McCarthy that's pending somewhere out there, negotiations between BAR and ARB taking place. We also discussed the idea of sending a letter to the manufacturers as well as the Bureau of Automotive Repair to get an assessment of the equipment and its longevity. And the third thing we actually discussed was having stakeholder meetings that would include not only the Bureau of Automotive Repair and ARB, but also shops, not so much to say this is what's going to happen, but just to get some input. What's a reasonable length of time for notification because many times these changes occur, but one of the last people to be notified are the stakeholders. The primary stakeholders in my mind is the industry. They're the ones that have to put up the money to actually implement the program and they do lay it on the line. So in my mind, I think they ought to be in the initial discussion of when some of these changes take place. So I just thought it would be a good idea to get them involved in the initial discussions. And both Eldon and Roger Nickey agreed with that, so I wanted to get the Committee's comments.

CHAIR LAMARE: Good. Let's crank up this subcommittee activity and dig into these subjects. Regarding the SIP subcommittee, I noticed that James Goldstene announced today

that the ARB board will be hearing a report on the SIP at its March 22 meeting. So I would like, Rocky, to send an email alert to everybody on the Committee about that hearing when it's scheduled, what time, how to go to the webcast and be there for that. And then afterwards to circulate whatever, PowerPoint - portions of the PowerPoint having to do with Smog Check that are included by staff in their report so that we stay up to speed on that as a whole Committee. Other comments? Dennis DeCota?

MEMBER DECOTA: I am on a committee with Jeffrey Williams, number two, the smog check performance and audit. Also, I had called Rocky and asked and I guess this is an appropriate place to do it. Seven, I thought that was included in two. I would also like to participate on seven, the high-emitter profile analysis if possible, Madam Chair.

CHAIR LAMARE: Rocky?

MR. CARLISLE: On the high-emitter profile?

MEMBER DECOTA: Yes.

MR. CARLISLE: I thought that was going to be a separate analysis, but -

CHAIR LAMARE: Who else is on that committee?

MR. CARLISLE: Jeffrey Williams.

CHAIR LAMARE: Maybe we need to go to number five and look at our committee assignments. I remember we have some other committee - under four. So Dennis wants to be added. Is

there anyone else who would want to be added who would be precluded because Dennis has been added on the high-emitter profile analysis? Okay, then I see no objection adding Dennis. Gideon, when you were not here, we assigned you to a really interesting committee and it's called particulate matter testing. We thought that might be of interest to you and if there's any of these other ones, you're welcome to join another committee as well. We haven't seen Paul Arney in quite a few months. I think it's safe to say that Paul's not participating on IMRC. I know his appointment isn't up for some months, but I think we need another Member of our IMRC Committee to volunteer to serve on the particulate matter testing committee. Is there anyone here who's really interested in it, excluding Jeffrey and Dennis and Eldon, who are already on two committees? Unless you want to switch something. It's still early, we can switch these around at this point. Okay, Bruce. So any other comments or questions about our committee assignments and what we're doing in our subcommittees?

MR. CARLISLE: One question for Jeffrey Williams and now Dennis DeCota as well, it was suggested that instead of having some in-depth questions on the HEP being dealt with at the Committee level, maybe this subcommittee meet with ARB and the ERG contractor for the high-emitter profile prior to a meeting to kind of flush out what kind of questions you did

have with regard to the high-emitter profile. I can schedule that if you'd like.

MEMBER WILLIAMS: Yes.

CHAIR LAMARE: Anything else on our report subcommittee? Great.

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CHAIR LAMARE: So I believe we're at the point - correct me if I'm wrong, where we take general public comments. Public comments? Mr. Peters.

MR. PETERS: Madam Chair, I guess we don't have a Madam Chair anymore. She's hitting the backdoor, Committee and whoever is acting chairman, possibly Mr. Williams, we certainly are at an interesting juncture and we have very significant lobbying efforts going on at the air district level to confiscate this process, change this process, to get significant monies from the California legislature and the federal government to significantly subsidize other agendas affecting people's automobiles in California. I attended a meeting in Southern California in the City. It was a subcommittee of the City Council. One of the persons on this committee was an elected official representing the City. The father is a judge, his mom is the deputy mayor, her husband is the chairman of the Senate Transportation Committee and the people making the presentation and suggestions was South Coast who have spending in the vicinity of a million dollars a year lobbying government for

more of public's money to have an interesting effect on what you folks are assigned the task of providing opinions about. That's interesting. The same kind of situation basically is happening in the Central Valley. I went down and provided some information there. They're asking for $1 to $60 billion dollars in tax money to assist in getting rid of bad cars. I think that if we responsibly look at this issue, we empower people to do their job, we provide basis for requiring them to do their job, we can do all of this probably without any cost to the taxpayers or the State of California at all, resulting in huge reductions in fleet emissions, huge reductions in fraud, huge support for a regulatory agency that is acting responsibly, huge support for a legislation that's making the right decisions, maybe even a kudos or two for the IM Review Committee, who knows. I'm concerned about some of the things I see, I'm excited about a lot of the things that are possibilities. I believe we're at a point where things can get a whole lot better really quick and I'm not settling for anything less. Thank you, Committee. I appreciate you allowing me to be here.

CHAIR LAMARE: Thank you for being here, Mr. Peters. Other public comment?

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CHAIR LAMARE: Are there comments from Members of the Committee about future topics that we should include in our meetings?

Okay. And if something should occur to you - oh, Mr. Williams?

MEMBER WILLIAMS: I'm curious to hear what's been happening with the vehicle retirement programs.

CHAIR LAMARE: We'd like to get a report from the Bureau on their latest evaluation of their scrappage program and their Consumer Assistance Program. That seems like that's eminent.

MR. CARLISLE: I think so, I'll check on it.

CHAIR LAMARE: Mr. DeCota?

MEMBER DECOTA: Would it be in the realm of possibility that we meet maybe a half a day at BAR and go through with Mr. Lafferty the CAP Program and how it works and kick the tire?

CHAIR LAMARE: Mr. Hotchkiss?

MEMBER HOTCHKISS: Mr. Lafferty is not in charge of CAP anymore. My information is that right now there is no one. I guess they're interviewing.

CHAIR LAMARE: Well, we could ask Mr. Coppage about this. Thank you. Let's find out if we're welcome over there.

MR. COPPAGE: Could you restate the question, please?

MEMBER DECOTA: My question was I think it would be worth an education value to us to understand the CAP Program and how 50 working in that department operate.

MR. COPPAGE: Absolutely. And as Dennis eluded to, Michael Lafferty, who was the manager over that program, is now in

charge of our public outreach for the department, BAR specifically. So that position is currently vacant. They are interviewing for that position, so as soon as we have someone in place at BAR, we would be very happy to - I know Rocky and I have actually exchanged some emails over the month on this issue, so it is on the front burner with BAR and as soon as humanly possibly, we would be happy to present to the Committee.

CHAIR LAMARE: There's a couple of things. One is we've talked about having the presentation about the report.

MR. COPPAGE: Yes.

CHAIR LAMARE: Which I thought was pretty much done, like a report on the previous fiscal year, how things went, what you achieved, what the emissions reductions were, and so on, which is something we don't really need Mr. Lafferty for.

MR. COPPAGE: That's correct.

CHAIR LAMARE: And then the second request was Dennis had a suggestion that we as a Committee go to BAR and somehow do a field trip. That has to be noticed just like any Committee meeting. So we'd like to initiate a discussion with you about whether that makes sense and what the timing would be, but the report is really something we've been expecting to get for sometime.

MR. COPPAGE: I'll look into that.

CHAIR LAMARE: But the visit, that is something we would need

some feedback from you about whether that works or not.

MR. COPPAGE: Sure, I'd be happy to discuss that with Chief Mehl.

CHAIR LAMARE: Other comments, questions?

MEMBER KRACOV: Madam Chair, we also had talked today about getting an update at the appropriate time from the ARB on the new diesels and the alternative fuels.

CHAIR LAMARE: The alternative fuels, including diesel and hybrids and why they're not getting Smog Checks and what does that mean and what's going to happen when the six years are up and they're out there not getting Smog Checks. Anything else?

MR. CARLISLE: I think with regard to the hybrids, they're not compatible with the dynamometer. For example, the Toyota Prius.

CHAIR LAMARE: Well, neither is my vehicle, but I go in for a Smog Check and a get a two-speed idle test.

MR. CARLISLE: Right, okay.

CHAIR LAMARE: Mr. Nickey?

MEMBER NICKEY: I don't think they're compatible with the two-speed idle either. I don't think there's any way to do it because all they were doing when they were testing them in the very beginning was a visual because there was no other way to test them unless you just - well, they don't idle so I don't know how you'd do it.

CHAIR LAMARE: They don't idle. Thank you. Okay. Thank you all and have a good trip home and avoid the cloudbursts. And we'll get together next month again. Meeting adjourned.

- MEETING ADJOURNED -

TRANSCRIBER'S CERTIFICATION

This is to certify that I, TERRI O'BRIEN, transcribed the tape-recorded public meeting of the Bureau of Automotive Repair dated February 27, 2007; that the pages numbered 1 through 159 constitute said transcript; that the same is a complete and accurate transcription of the aforesaid to the best of my ability.

Dated March 9, 2007.

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Terri O'Brien, Transcriber
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